

**SCRep. 988-00 Energy and Environmental Protection on S.B. No. 2769**

The purpose of this bill is to amend existing law to reflect the State's objective of reducing greenhouse gas emissions in planning for the State's energy facility system.

The Department of Business, Economic Development, and Tourism, the Sierra Club, and the Hawaii Renewable Energy Alliance testified in support of this bill. The Hawaiian Electric Company and the University of Hawaii at Manoa, Environmental Center commented on this bill.

Your Committee finds that the primary goal of reduction and avoidance of greenhouse gas emissions and specific actions like sequestration play an important role in mitigating global warming.

Your Committee has amended this bill by:

- (1) Replacing the word "minimization" with the words "reduction", "avoidance", and "sequestration";
- (2) Inserting the words "avoid" and "sequester" where appropriate to reflect the State's goals; and
- (3) Making technical, nonsubstantive amendments for style and clarity.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2769, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2769, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 989-00 Education on H.C.R. No. 52**

The purpose of this concurrent resolution is to request the Department of Education to facilitate efforts to strengthen and evaluate existing student leadership programs.

In particular, the Department is requested to continue working with student leaders and advisors at various Big Island high, intermediate, and elementary schools in order to develop strategies to strengthen existing student leadership programs, form partnerships to assist with the implementation of additional programs, expand programs to reach more students, and establish an accountability system for moneys appropriated for the student leadership program.

In addition, the Department is requested to work with students and advisors to address the challenges identified by student leaders, assist students and advisors in developing an accountability system to measure the effectiveness of current programs, and submit a report of its findings and recommendations for proposed legislation to the Legislature before the convening of the Regular Session of 2001.

Your Committee received testimony in favor of this measure from the Superintendent of Education, the Rural South Hilo Community Association, the Hamakua Community Development Corporation and Hamakua District Development Council, a Community Policing Officer for the Hamakua District, two teachers at Hilo High School, and several students.

Your Committee finds that the Big Island community has sought to improve and implement programs to curb various problems, such as gang activity, substance abuse, and teen pregnancy. Your Committee agrees with the intent of this concurrent resolution, and finds that it will expand programs to reach more Big Island students and improve the accountability system for appropriations for student leadership programs.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 52, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 990-00 Legislative Management on S.B. No. 2675**

The purpose of this bill is to change the method of determining the salary of the Executive Director by requiring the Ethics Commission (Commission) to set Executive Director's salary so that it does not exceed that of the Associate Director of the Ethics Commission by five percent.

The Commission, the League of Women Voters, and an individual supported this bill.

Your Committee finds that the Executive Director is the only staff member of the Commission whose salary is set statutorily, and the last salary increase was in 1992. The salaries of the rest of the Commission's staff are increased in

accordance with increases in salaries of civil service employees in analogous positions. As a result, the salary of the Associate Director now exceeds that of the Executive Director.

This measure addresses this inequity and assures that the Executive Director's salary is comparable to the salaries that other state officials receive for comparable work and responsibilities.

Your Committee is also aware that the same disparity exists throughout state and county governments and has initiated H.C.R. No. 139 to address and help resolve this inequity.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2675, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 991-00 Legislative Management on S.B. No. 2201**

The purpose of this bill is to:

- (1) Require a defined group of "eligible public officers" to testify before any legislative committee, court, judge, officer, board, or commission;
- (2) Define "eligible public officers" to mean the Governor, Lieutenant Governor, members of both houses of the Legislature, directors and deputy directors of public departments and temporary authorities created by state statute or the State Constitution, members of public boards and commissions created by state statute or the State Constitution, and all those who occupy any similar position in the government of the State or any political subdivision thereof; and
- (3) Repeal an outdated reference in sections 78-8 and 78-9, Hawaii Revised Statutes (HRS), to repealed chapter 85, HRS.

Your Committee finds that the law only gives state and county legislative bodies subpoena authority over Executive Branch officials who have taken a loyalty oath. Since the loyalty oath, as found in what was chapter 85, HRS, was repealed several years ago, this subpoena authority no longer has any legal effect.

Without the ability to require the presence of Executive Branch officials, no state or county legislative body can be expected to perform their appropriate policymaking role. As a result, your Committee finds that this measure is needed to preserve the integrity of state and county legislative bodies in Hawaii.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2201 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 992-00 Legislative Management on S.B. No. 3045**

The purpose of this bill is to clarify the scope of the confidentiality of the Auditor's working papers.

Specifically, this bill:

- (1) Extends the confidentiality privilege beyond the issuance date of reports or studies; and
- (2) Covers working papers handled by the Auditor, employees in the Auditor's office, as well as independent contractors and consultants.

The privilege may be applied against judicial, quasijudicial, and administrative processes, and, at the same time, releases the Auditor, its employees, contractors, and consultants, from liability as a result of disclosure compelled by legal process.

Your Committee finds that clarification of the privilege is necessary to protect the continued integrity of the Auditor's work product.

This bill also specifies that the Auditor's disclosure of certain portions of the working papers does not constitute a waiver of the privilege of the remainder of the working papers.

The Auditor submitted testimony in support of this bill. The Department of Accounting and General Services, Judiciary, and Attorney General opposed this bill.

Your Committee has amended this bill by:

- (1) Adding that disclosure may be withheld from any person, not only to judicial, quasijudicial, or administrative processes;
- (2) Authorizing the Auditor to issue subpoenas and subpoena duces tecum compelling the appearance and sworn testimony of any person as well as the production of accounts, books, records, etc., relating to an audit or investigation; and
- (3) Adding accounts, files, or documents that may be examined or searched.

Your Committee notes that the same immunity and judicial review privileges being accorded to the Auditor by this bill have for many years have been vested in the Ombudsman under section 96-17, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3045, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3045, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 993-00 Legislative Management on S.B. No. 2412**

The purpose of this bill is to ensure greater accountability in the operation of state government by requiring the Legislative Auditor to conduct managerial accountability audits of all executive departments, the Judiciary, and their appropriate organizational units, on a cyclical basis.

The bill allows the Legislature to request audit topics and gives the Auditor discretion to select audit topics. After the issuance of each managerial accountability audit report, the entity audited must report to the Auditor on the progress made in making corrections or improving operations. These progress reports must be submitted six months and twelve months after the issuance of the managerial accountability audit report.

The bill allows the Auditor to request additional progress reports, reaudit, or in any other manner confirm the representations of the entity audited. The Auditor would also be required to report to the Legislature on subsequent findings.

The Auditor supported this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2412, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 994-00 Legislative Management on S.B. No. 2499**

The purpose of this bill is to appropriate funds for retroactive salary increases and other cost adjustments for fiscal year 1998-1999, authorized by chapter 89C, Hawaii Revised Statutes, for officers and employees of the Office of the Auditor, Ethics Commission, Legislative Reference Bureau, and Office of the Ombudsman.

The appropriations made under Act 138 (Act 138), Session Laws of Hawaii 1999, were for fiscal years 1998-1999, 1999-2000, and 2000-2001. Since Act 138 required the lapsing of funds within the fiscal year for which it was appropriated, the Act's effective date of July 1, 1999, precluded the expenditure of the 1998-1999 appropriations, including adjustments commencing January 1, 1998. This bill corrects this inadvertent error.

Your Committee finds that this bill ensures that the employees of these statutorily established legislative agencies maintain parity with all other state employees who have already received this retroactive pay adjustment under collective bargaining agreements.

The Legislative Reference Bureau, Hawaii State Ethics Commission, State Auditor, and Office of the Ombudsman supported this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2499, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 995-00 Legislative Management on S.B. No. 2354**

The purpose of this bill is to further public access by:

- (1) Appropriating funds for a legislative media streaming pilot project to allow public access to the Internet;
- (2) Appropriating funds for a second full-time staff person for the Public Access Room (PAR);
- (3) Appropriating funds for a child care pilot project; and
- (4) Transferring responsibility for the sale and distribution of the Hawaii Revised Statutes from the Lieutenant Governor to the Legislature.

The League of Women Voters, Hawaii's Thousand Friends, Hawaii Coalition Against Legalized Gambling, and Information Services supported this bill. The Legislative Reference Bureau supported the appropriation for staffing the PAR. Common Cause Hawaii supported appropriating funds for the legislative media streaming pilot project, PAR staffing, and the child care pilot project.

The Office of the Lieutenant Governor and the Hawaii State Commission on the Status of Women supported the intent of this bill.

An individual raised concerns about funding additional staff for the PAR and requested your Committee to consider using student interns instead of hiring additional staff.

Your Committee has amended this bill by making the provisions transferring responsibility for the sale and distribution of the Hawaii Revised Statutes from the Lieutenant Governor to the Legislature take effect on July 1, 2001. This will enable the Legislature to prepare for taking on its new responsibilities.

Technical, nonsubstantive amendments were also made for clarity, conformity, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2354, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2354, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 996-00 Legislative Management on S.B. No. 2544**

The purpose of this bill is to establish the Office of the Legislative Analyst as a legislative service agency and repeal the Joint Legislative Budget Committee.

This bill also requires the Legislative Analyst to prepare and distribute fiscal impact statements for all legislative measures, and specifies the requirements for those statements.

Your Committee agrees that there is an immediate need for a Legislative Analyst to assist the Legislature in performing an independent analysis of executive or other agency budgets, revenues and expenditures, economic conditions, and tax policies.

In the past, the Legislature was able to borrow fiscal analysts from state and county agencies or the private sector more readily. However, your Committee finds that economic, fiscal, and tax issues today are far more complex, requiring the work of analysts who have long-term expertise and are better capable of conducting in-depth analyses of these issues on a regular basis.

Your Committee further finds that the Legislative Analyst's Office in the State of California, for example, plays a key role in that State's Legislature by assisting legislators in doing in-depth evaluations of state programs and conducting analyses on fiscal, economic, and tax policy issues. The California Legislative Analyst's Office has been providing fiscal and policy advice to the Legislature for more than fifty-five years and is well known for its fiscal and programmatic expertise and nonpartisan analyses of that state's budget. The office serves as the "eyes and ears" for the California Legislature to ensure that the executive branch is implementing legislative policy in a cost efficient and effective manner. The office carries out this legislative oversight function by reviewing and analyzing the operations and finances of state government.

Historically, one of the most important responsibilities of the California Legislative Analyst's Office has been to analyze the annual Governor's budget and publish a detailed review at the end of February. This document, the Analysis of the Budget Bill, includes individual department reviews and recommendations for legislative action. A companion document, Perspectives and Issues, provides an overview of the state's fiscal picture and identifies some of the major policy issues confronting the Legislature. These documents help set the agenda for the work of the Legislature's fiscal committees in developing a state budget. Staff of the office work with these committees throughout the budget process and provide public testimony on the office's recommendations.

Given the size and expertise of budget and fiscal analysis staff in the executive branch as compared to the significantly smaller size of the legislative branch staff, your Committee finds that it is incumbent upon the Legislature to develop its own independent capacity to conduct fiscal, economic, and tax analysis.

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



- (1) Transferring responsibility for analyzing new special, revolving, or trust funds, and trust accounts, from the Auditor to the Legislative Analyst;
- (2) Deleting the requirement for fiscal impact statements on all measures introduced with direct or indirect fiscal implications, but in its place requiring the Legislative Analyst, as may be requested by the House Committee on Finance or Senate Committee on Ways and Means, to assist in determining fiscal impacts of bills under consideration; and
- (4) Making other technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2544, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2544, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 997-00 Legislative Management on S.B. No. 1242**

The purpose of this bill is to:

- (1) Transfer responsibility for analyzing new special, revolving, or trust funds from the Auditor to the Legislative Analyst;
- (2) Specify additional criteria for consideration by the Legislative Analyst;
- (3) Appropriate funds to the Legislative Analyst;
- (4) Appropriate funds for additional support to the Auditor for continuing audits or studies commissioned by the Legislature; and
- (5) Appropriate funds for dues for the Council of State Governments.

The Auditor, League of Women Voters, and Common Cause of Hawaii supported this bill.

Upon further consideration, your Committee has amended this measure by deleting the contents of this bill and retaining the following:

- (1) Appropriation for additional support to the Auditor for continuing audits or studies commissioned by the Legislature; and
- (5) Appropriation for dues for the Council of State Governments.

Your Committee notes that another bill, S.B. No. 2544, S.D. 1, which affects the Office of the Legislative Analyst, was heard the same time as this bill. It is the intention of your Committee to insert those sections transferring responsibility for the analysis of new special, revolving, and trust funds from the Auditor to the Office of the Legislative Analyst in S.B. No. 2544, S.D. 1.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1242, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1242, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 998-00 Legislative Management on S.B. No. 2062**

The purpose of this bill is to continue the work of the Joint Legislative Committee on Long-term Care (Joint Legislative Committee) as required by Act 339, Session Laws of Hawaii 1997, by:

- (1) Extending the sunset date of the Joint Legislative Committee from June 30, 2000, to June 30, 2002;
- (2) Extending the deadline for the actuarial study on long-term care from November 15, 1999, to November 15, 2001;
- (3) Clarifying requirements for the actuarial study; and
- (4) Appropriating \$200,000 for the actuarial study.

The Hawaii State Commission on the Status on Women, AARP, Kokua Council, ILWU Local 142, Hawaii Women Lawyers, and Hawaii Catholic Conference supported this bill. The Executive Office on Aging supported the intent of this bill.

The Coalition for Affordable Long Term Care supported this bill, but made suggestions for revisions to narrow the scope of the study.

The Department of Consumer Protection and Commerce submitted comments.

Your Committee has amended this bill by narrowing the scope of the study as recommended by the Coalition for Affordable Long Term Care. Specifically, the scope of the actuarial study was limited to the study of alternative models of:

- (1) A universal comprehensive program in which coverage benefits will be capped at the cost equivalent to three years of nursing home services; and
- (2) A universal comprehensive program in which coverage benefits would begin on the 91st or 181st day of disability with benefits capped at the cost equivalent to three years of nursing home services.

In addition, all state agencies, instead of only the Departments of Taxation and Budget and Finance, will be required to cooperate with the contractor in preparing the study.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2062, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2062, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Souki and Takamine.

**SCRep. 999-00 Water and Land Use on S.B. No. 35**

The purpose of this bill is appropriate State funds to match federal funds to continue the work of the Hawaii Forestry and Communities Initiative (HFCI).

Testimony in support of this bill was received by the Department of Land and Natural Resources (DLNR), the Department of Agriculture, the Nature Conservancy of Hawaii, the Hawaii Farm Bureau Federation, the Hawaii Society of American Foresters, and the Hawaii Forest Industry Association.

No testimony in opposition to this bill was received.

Your Committee finds that Hawaii's current forest industry is productive, ranking sixth on the list of diversified agricultural lands products in a study conducted by the University of Hawaii. The forest industry generates net revenues of \$30 million, employs over 800 people, and pays an average wage of \$14.00 per hour. Since 1995, over 35,000 acres of private land have been committed to forestry. Over 80 new private sector jobs have been created by forestry in the last three years alone.

State support is needed for HFCI for the following reasons:

- 1) The HFCI is the State's focal point for forest industry expansion and community capacity-building in Hawaii;
- 2) HFCI is going into the fourth year of its work; it has not received matching funds from the State since its first year. The program has no cash with which to work and has primarily relied on in-kind services leveraged by the original \$200,000 legislative appropriation in 1997;
- 3) The Federal funds for HFCI are credits, not cash; the State must pay cash up front and be reimbursed;
- 4) Hawaii's congressional delegation loses the ability to secure funds in Congress without matching State funds. This specific Federal appropriation for HFCI has decreased annually; and
- 5) There are insufficient program resources overall. Without matching State funds, program effectiveness will be lost.

Your Committee amended this bill by:

- (1) Appropriating \$200,000 and
- (2) Changing the effective date of this Act to July 1, 2000.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 35, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 35, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

**SCRep. 1000-00 Water and Land Use on S.B. No. 2513**

The purpose of this bill is to broaden the use of the natural area reserve fund by including watershed management projects.

The Department of Land and Natural Resources (DLNR), the Land Use Research Foundation of Hawaii, The Nature Conservancy of Hawaii, and the Sierra Club, Hawaii Chapter, testified in support of this bill.

No testimony in opposition of this bill was received.

Your Committee finds that public and private interests together made investments to assure a healthy and effectively managed forest watershed. Although our state is reaping the benefits of past investments, public investment in watershed management has diminished while our community's demand for water resources and attendant watershed values has increased dramatically. Private landowners own half of the remaining forested lands in Hawaii, however, there are few incentives for private landowners to invest in managing their forested watershed.

Watershed partnerships have been the most efficient and cost effective way to protect our water resources and native species. Landscape-level watershed partnerships have been formed to cooperatively manage our state's most valuable forested watershed.

Increased and sustained funding is urgently needed to allow these innovative partnerships to deliver needed management activities on the ground. Excess funding from the Natural Area Reserve Fund via legislation provisos has already provided matching State funds to attract County, Federal and private grants to fund such mandatory projects as alien species control, watershed fencing projects, and planning for the establishment of the watershed partnerships.

Your committee amended this bill by removing language stating that the funds paid into the natural area reserve fund will be annually disbursed to the natural area partnership and forest stewardship programs. Technical, nonsubstantive amendments to the bill have also been made for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2513, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2513, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takumi.

#### **SCRep. 1001-00 Water and Land Use on S.B. No. 2909**

The purpose of this bill is to replace the 'Aina Ho'omalua Special Fund with the State Parks Special Fund to carry out program objectives.

This bill repeals the 'Aina Ho'omalua Special Fund and replaces it with a new special fund with authority to make expenditures for construction, repair and replacement, and maintenance of all state parks, as well as for administrative and staff costs and for state parks program development.

The Department of Land and Natural Resources (DLNR) and the Environmental Center of the University of Hawaii at Manoa testified in support of this bill.

The Office of Hawaiian Affairs (OHA) testified in opposition of this bill.

Your Committee finds that the 'Aina Ho'omalua State Parks Program was established as an interpretive program focusing on "Parks of Distinction" within DLNR's Division of State Parks. The 'Aina Ho'omalua Special Fund, with revenues generated by the State Parks System, currently finances the program.

Revenues generated by the State Parks System would deposited into a Special Parks Special Fund would give DLNR greater flexibility to allocate revenues to benefit all State Parks Programs, including continued support of the 'Aina Ho'omalua State Parks Program, supplementing general fund appropriations. Currently, special fund moneys in excess of budgeted amounts have from time to time been transferred to the general fund.

Your Committee amended this bill by including the planning and development of interpretive programs and construction of interpretive facilities in the Aina Ho'omalua State Parks Program.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2909, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2909, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

#### **SCRep. 1002-00 Water and Land Use on S.B. No. 2915**

The purpose of this bill is to allow for the deposit of moneys generated by the disposition of mineral and water rights into the Special Land and Development Fund (Fund). This bill also provides that the fund may be used for the protection, planning, management, and regulation of water resources.

The Department of Land and Natural Resources (DLNR) testified in support of this bill.

Your Committee finds that the Commission on Water Resource Management (Commission), which is largely funded through general funds, has gone through budget cuts. Approximately 6% of the Commission's budget is from the Fund. The addition of a new source of revenue for the special fund that can be expended to protect water resources will assist the Commission to fulfill its water responsibilities to manage the State's water resources.

Your committee has amended the bill by removing language regarding the Admission Act of 1959, which is unnecessary since other applicable statutes included in Chapter 10, Hawaii Revised Statutes, already determine revenue allocations to the Office of Hawaiian Affairs.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2915, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2915, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

**SCRep. 1003-00 Water and Land Use on S.B. No. 2917**

The purpose of this bill is to support water resource management programs and activities by establishing a Water Resource Management Fund (Fund) within the Department of Land and Natural Resources (DLNR) under the jurisdiction of the Commission on Water Resource Management. This bill will allow DLNR to utilize revenue collected pursuant to Chapter 174C, Hawaii Revised Statutes, to go directly back toward water resource management programs.

DLNR, the Environmental Center of the University of Hawaii and The Nature Conservancy of Hawaii testified in support of this bill.

No testimony in opposition of this bill was received.

Your Committee finds that in order to sustain our State's limited water resources, the State requires an ongoing source of funds for watershed protection, ground water and surface water monitoring, hydrologic modeling and analysis, resource regulation, resource planning, and resource enforcement. Since 1994, the Commission went through a budget reduction by 18% (\$311,000) and a loss of two permanent staff positions. Ninety-three percent of the Commission's budget is funded by general funds. The restoration of an appropriation of \$25,000 to the Fund will provide the necessary resources for the Commission.

Your Committee amended this bill by:

- (1) Removing language in the measure regarding payments to the Department of Hawaiian Home Lands under the Hawaiian Homes Commission Act and the Office of Hawaiian Affairs for the use of ceded lands under the Admissions Act; and
- (2) Appropriating \$25,000.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2917, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2917, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

**SCRep. 1004-00 Water and Land Use on S.B. No. 3049**

The purpose of this bill is to make certain records of the Department of Land and Natural Resources that relate to the location and description of historic sites, including burial sites, confidential records.

Testimony was received in support of the bill from the Department of Land and Natural Resources (DLNR) and the Office of Hawaiian Affairs (OHA).

Your Committee finds that when the burials law was passed into law in 1990, everyone involved in the process believed the phrase, "are exempted from the requirements of section 92F-12," indicated that DLNR could keep locations and descriptions of historic and burial sites confidential if they were deemed sensitive by a burial council or the Hawaii historic places review board. However, the Office of Information Practices has indicated that exemption from section 92F-12, Hawaii Revised Statutes, does not result in confidentiality, and advised DLNR that the law should be amended to simply and explicitly state that the records, "shall be confidential." The concern for confidentiality of description and location information, especially for burial and other cultural sites, is a highly sensitive issue within the Hawaiian community.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3049 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

**SCRep. 1005-00 Consumer Protection and Commerce and Labor and Public Employment on S.B. No. 2987**

The purpose of this measure is to amend section 103-32.1, Hawaii Revised Statutes (HRS), to require equal retention rates on State projects for subcontractors who possess a valid performance and payment bond or other mutually agreeable form of collateral.

Testimony in support of this measure was submitted by the Plumbers/Fitters Union Local 675.

Testimony in support of this measure, with proposed amendments, was submitted by the Building Industry Association of Hawaii, General Contractors Association of Hawaii, Subcontractors' Association of Hawaii, Construction Industry Legislative Organization Inc., Hidano Construction Inc., and the Plumbing & Mechanical Contractors Association of Hawaii.

Your Committee finds that this measure takes an important step in providing equity for subcontractors in their relationship with general contractors relative to the amount withheld in the progress of their performance on a construction project.

Your Committee has amended section one of this measure by replacing its contents with the substantive language of section one of H.B. No. 2877, H.D. 1, that was reported from your Committee on Consumer Protection and Commerce earlier this session.

Your Committee has also amended HRS section 103-32.1(b) of this measure to reflect amendments agreed upon by a task force of general contractors, subcontractors, and other representatives of the construction industry.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2987, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2987, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Chang, Herkes, Hiraki, Kaho'ohalahala, Okamura, Saiki, Takumi, Halford and Thielen.

**SCRep. 1006-00 Education on S.B. No. 2474**

The purpose of this bill is to require the Governor to allow the Department of Education (DOE) to:

- (1) Increase the federal fund expenditure ceiling for EDN 100, School-Based Budgeting, to the amount that federal impact aid received, exceeds authorized General Appropriations Act or Supplemental Appropriations Act appropriations; and
- (2) Retain for EDN 100 purposes, the full amount of any general fund offset created by increased impact aid receipts, provided that the DOE does not create or expand programs.

This bill also requires that all federal fund reimbursements received by state programs be returned to the general fund or other appropriate program funds unless otherwise required by federal or state law.

The DOE and the Hawaii State Teachers Association testified in support of the bill. The Department of Budget and Finance testified in support of the intent of the measure.

Your Committee believes that in these difficult fiscal times, state departments should be encouraged to seek funding from outside sources whenever possible.

Your Committee has amended this bill by deleting its contents and replacing it with the contents of H.B. No. 1873, H.D. 2, which was reported from the House after public hearings before your Committees on Education and Finance. H.B. No. 1873, H.D. 2 provides the DOE with additional incentives to seek alternate funding sources by:

- (1) Exempting DOE's federal and trust funds from the state budgetary allotment system requirements; and
- (2) Prohibiting general fund offsets in the event that federal or trust receipts are greater than appropriations.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2474, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2474, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

**SCRep. 1007-00 Education on S.B. No. 3038**

The purpose of this bill is to expand the Department of Education's zero tolerance policy regarding possession of intoxicating alcohol, illicit drugs, and dangerous weapons, to include the sale, consumption, or use of intoxicating liquor or illicit drugs and the sale and use of dangerous weapons.

The Attorney General testified in support of the intent of this bill and recommended an amendment to allow greater flexibility with respect to utilization of administrative rules.

The Department of Education (DOE) testified in support of the measure but recommended an amendment to clarify that the zero tolerance policy requirements apply to students during school hours regardless of whether the student is attending school as in the case when a student is on campus while school is not in session.

The Hawaii State Teachers Association and a member of the public also testified in support of the bill.

Your Committee finds that increasingly, discipline has been the most difficult problem facing teachers in Hawaii's schools. Your Committee believes that this measure will assist educators in their efforts to teach our youth in a safe and nurturing environment.

Your Committee has amended this measure to address the concerns of the Attorney General and the DOE by:

- (1) Providing for broader application of administrative rules by clarifying that in cases of exclusion from school, the due process procedures set forth in Title 8, chapter 19, relating to student discipline shall apply;
- (2) Applying the zero tolerance policy restrictions to students during school hours instead of while attending school in order to cover situations where students are on campus but school is not in session; and
- (3) Allowing the principal of the child's school of attendance or the principal's designee to make the determination as to whether a child is under the influence of intoxicating liquor or illicit drugs.

Your Committee has further amended this bill by adding language to ensure that students who arrive on campus already intoxicated or under the influence of illicit drugs are subject to the zero tolerance policy.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3038, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3038, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Okamura, Arakaki and Santiago.

**SCRep. 1008-00 Education and Health on S.B. No. 2442**

The purpose of this bill is to:

- (1) Allow a primary caregiver who possesses a current notarized affidavit to enroll a minor in school and consent to school-related medical care for the child; and
- (2) Require the Department of Education (DOE) to review and modify its admission policy to recognize hanai or kinship relations for purposes of enrollment and school-based medical care, and submit a report to the Legislature.

The Windward Oahu Family and Community Education Council, the Na Tutu Coalition, Grandparents Raising Grandchildren, and concerned individuals submitted testimony in support of this bill.

With respect to the primary caregiver affidavit, the bill:

- (1) Clarifies that the primary caregiver must present upon request a copy of the affidavit to the school, the health care provider, or the health care service plan;
- (2) Adds the requirement that the affidavit:
  - (A) Include a detailed statement that reasonable efforts to locate the parent, guardian, or legal custodian have failed;
  - (B) Must be renewed and updated annually; and
  - (C) Is deemed immediately withdrawn for purposes of this part if the minor no longer resides with the primary caregiver; and
- (3) Deletes the Caregiver's Consent Affidavit form, thereby making it easier for the primary caregiver to provide the required information.

Your Committees note that the testimony in opposition submitted by the DOE contained the following concerns:

- (1) The affidavit will eliminate the DOE's ability to determine who has true custody of the child. Anybody can say that they are related to the child. A kidnapper would not stop at lying in the affidavit. It is important that the Family Court determine the custody of the child; and
- (2) The primary caregiver affidavit could be used to circumvent the DOE's Geographic Exceptions, which gives priority to students who are physically residing in a schools' attendance area and are not living with legal guardians or parents. The affidavit could be used to "illegally" register children who may still live with their parents or legal guardians in a different attendance area. If the concern of the bill is health immunization, then DOE suggests that the bill be limited to that purpose.

Your Committees have amended this bill by making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2442, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2442, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committees except Representatives Arakaki, Kawakami, Morihara, Okamura and Santiago.

**SCRep. 1009-00 Education and Labor and Public Employment on S.B. No. 2469**

The purpose of this bill is to refine the current School-to-Work law by:

- (1) Replacing the member of the School-to-Work Executive Council (Executive Council) from the Department of Human Services with a member from the Department of Human Resources Development;
- (2) Adding members from the Board of Education (BOE) and the University of Hawaii Board of Regents;
- (3) Giving the power to appoint staff for the Executive Council to the Department of Education; and
- (4) Requiring the Executive Council to seek federal, state, and private resources.

This bill also appropriates funds to the Executive Council.

The Executive Council supported this bill with a proposed amendment. The Hawaii State Teachers Association supported the intent of this bill. The chair of the BOE and an individual commented on this bill.

Your Committees find that this bill will create positive changes for the Executive Council, as school-to-work initiatives are facing a transitional period in which new sources of funding need to be pursued. Federal seed money will soon cease, and the amendments to the Executive Council proposed in this bill will make the Executive Council more dynamic and entrepreneurial. Developing school-to-work infrastructure is a long process that requires systemic changes that cannot be fully realized during the five-year period of federal support. This bill establishes the Executive Council as a long-term advocate of Hawaii school-to-work efforts.

Additionally, your Committees find that if the Executive Council is to become a permanent body, the State Auditor should perform regular performance audits of the Executive Council.

Upon further consideration, your Committees have amended this bill by reversing the provision that replaced the member of the Executive Council from the Department of Human Services with one from the Department of Human Resources Development. Your Committees concur with the testimony of the Executive Council that it would be in the best interests of State school-to-work efforts to retain the member from the Department of Human Services.

Other technical, nonsubstantive amendments have also been made for clarity and style.

As affirmed by the records of votes of the members of your Committees on Education and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2469, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2469, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki, Hiraki, Okamura, Saiki, Santiago and McDermott.

**SCRep. 1010-00 Human Services and Housing on S.B. No. 2021**

The purpose of this bill is to ensure continued shelter to tenants of assisted housing developments when the development's owner decides to place the development on the market by requiring the Housing and Community Development Corporation of Hawaii (Corporation) to:

- (1) Purchase projects from private owners of rental housing assisted under the U.S. Department of Housing and Urban Development (HUD) project-based Section 8 program; and
- (2) Focus on preserving government subsidized rental housing projects instead of assisting in the development of new rental housing.

Catholic Charities of the Diocese of Honolulu, Hawaii Catholic Conference, the Affordable Housing and Homeless Alliance, and the Legal Aid Society of Hawaii testified in support of this measure. The Corporation opposed this measure.

Your Committee finds that preserving Section 8 buildings instead of converting them to market rate could save more than 3,000 households, namely elderly and low-income residents, from eviction and homelessness.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Corporation purchase projects from private owners of rental housing assisted under the HUD project-based Section 8 program;
- (2) Deleting the requirement that the Corporation focus on preserving government subsidized rental housing projects;
- (3) Requiring owners to provide to the Corporation:
  - (A) Copies of all HUD-related notification letters regarding its intention to opt out of the Section 8 project-based contract; and
  - (B) Pertinent and available information, including the physical condition of the project and current market rates;
- (4) Requiring the Corporation to collaborate with HUD in the effort to encourage the owner to preserve the long-term affordability of the owner's housing project; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2021, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2021, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

#### **SCRep. 1011-00 Water and Land Use on S.B. No. 2108**

The purpose of this bill is to require the Legislative Auditor to coordinate the resolution of public land trust (Trust) issues by:

- (1) Facilitating the identification of lands, including their assets and natural resources, within the Trust; and
- (2) Working with the Department of Land and Natural Resources (DLNR), the Office of Hawaiian Affairs (OHA), and other state agencies in completing a comprehensive inventory and mapping database of all lands within the Trust and currently subject to section 5(f) of the Admission Act.

This bill requires the Auditor to submit a progress report to the Legislature prior to the 2001 regular session and a final report prior to December 31, 2001.

OHA testified in support of this bill, with amendments. DLNR offered comments.

Your Committee finds that the scope of the public lands and their exact identification have never been made. Having an accurate inventory is crucial to the successful management of the lands, especially as the State has a trust obligation in regards to the land and OHA, as a beneficiary, receives 20 percent of the proceeds from the Trust.

While in agreement with the intent of the bill to require the Auditor to coordinate the resolution of Trust issues by conducting this inventory, your Committee finds that numerous issues must be resolved. Issues include determining what lands should be included, the purpose for conducting the inventory, and the starting date of the inventory. OHA and DLNR need additional time to resolve these issues.

Your Committee respectfully requests the Committee on Finance to review the **Final Report on the Public Land Trust** (Report No. 86-17, December 1986) for comprehensive information on the Trust and its inventory of lands.



Your Committee has amended this bill by removing the effective date.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2108, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2108, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Takumi.

**SCRep. 1012-00 Agriculture on S.B. No. 2530**

The purpose of this bill is to authorize the issuance of special purpose revenue bonds in a total amount not to exceed \$10,000,000 to assist Hawaii Gold Cacao Tree, Inc., in the planning, construction, and equipping of facilities in the county of Hawaii to process cacao beans and to manufacture and produce cacao and chocolate products.

Your Committee finds that with the closing of sugar plantations on the Big Island, which resulted in loss of jobs on the island, this new cacao industry will create new jobs to support the development of cacao nursery and farming operation, the marketing and sales of cacao and chocolate locally and for export. Your Committee further finds that of equal importance is the utilizing of former sugar lands lain fallow with the ceasing of sugar operations on the Big Island and a welcome opportunity to boost the state's static economy.

Testimonies were received from the Board of Agriculture, the County of Hawaii, the Hawaii Gold Cacao Tree, Inc., the Mauna Loa Macadamia Nut Corp., and the Rural Economic Transition Assistance-Hawaii, in support of this bill. The Department of Budget and Finance and the Great Pacific Chocolate Company, Inc., commented on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2530, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ahu Isa, Herkes, Morihara, Halford and Whalen.

**SCRep. 1013-00 Agriculture on S.B. No. 3199**

The purpose of this bill is to facilitate the importation of microorganisms for research and commercial purposes while maintaining safe quarantine regulations by:

- (1) Creating separate statutory sections for the importation of plants, animals, and microorganisms to better reflect the different requirements appropriate for each category;
- (2) Authorizing the Department of Agriculture (DOA) to determine the risk level for unlisted microorganism requests; and
- (3) Authorizing the DOA to issue an emergency permit for the importation of listed and unlisted microorganisms.

The DOA testified in support of this bill with a proposed amendment. The College of Tropical Agriculture and Human Resources and the Environmental Center commented on this bill.

Your Committee has amended this bill by replacing its contents with the substantive provisions of H.B. No. 2803, H.D. 2, a similar bill that passed the House earlier this session after public hearings by your Committee on Agriculture and your Committee on Finance.

As amended, this bill:

- (1) Substitutes "advisory committee" with "ad hoc panel"; and
- (2) Eliminates the proviso that the appropriation section shall take effect on July 1, 2000.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3199, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3199, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1014-00 Agriculture and Water and Land Use on S.B. No. 2741**

The purpose of this bill is to extend the time in which to submit the State Agricultural Water Use and Development Plan (Plan) as provided for in Act 101, Session Laws of Hawaii 1998.

The Department of Land and Natural Resources and the Hawaii Farm Bureau Federation testified in support of this measure. The Department of Agriculture and the Big Island Farm Bureau testified in support of this measure with suggested amendments.

Your Committees have amended this bill by:

- (1) Appropriating funds for the development of the Plan; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water and Land Use that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2741, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2741, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1015-00 Agriculture and Ocean Recreation and Marine Resources on S.B. No. 2745**

The purpose of this bill is to support the aquaculture industry by:

- (1) Authorizing the Department of Agriculture (DOA) to:
    - (a) Establish and assess fees for aquatic animal and plant health diagnostic services; and
    - (b) Purchase items or expert services relating to aquaculture planning, disease management, and the marketing of seafood products;
  - (2) Establishing the Aquaculture Development Special Fund (Special Fund) to:
    - (a) Implement the aquatic disease management programs and activities; and
    - (b) Support research and development programs and activities relating to the expansion of the state aquaculture industry;
- and
- (3) Appropriating funds out of the Special Fund to carry out the purposes of the Special Fund.

The Hawaii Aquaculture Association testified in strong support of this measure. DOA also testified in support of this measure, but with an appropriation of \$30,000 for fiscal year 2000-2001.

Your Committees note that the companion measure to this bill, H.B. No. 2404, H.D. 1, passed the House of Representatives earlier this session.

Your Committees have amended this bill by:

- (1) Inserting the appropriation amount of \$1 to facilitate further discussion on this bill; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Ocean Recreation and Marine Resources that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2745, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2745, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Ito, Morihara, Morita, Suzuki, Auwae, Rath and Whalen.

**SCRep. 1016-00 Judiciary and Hawaiian Affairs on S.B. No. 2110**

The purpose of this bill is to expedite the resolution of individual claims filed with the Hawaiian Home Lands Trust Individual Claims Resolution Panel.

Testimony in support of this bill was provided by a concerned individual. Testimony in support of the intent of this bill was provided by the State Attorney General. Testimony in opposition to this bill was provided by the Native Hawaiian Legal Corporation, the State Council of Hawaiian Homestead Associations, and an attorney on behalf of his clients in two cases being

litigated in state circuit court and federal district court. The State of Hawaii Department of Hawaiian Homelands, the Legislative Reference Bureau, and the Office of Information Practices commented on this bill.

Your Committee acknowledges that a single measure will not entirely or finally resolve the deep-rooted issues confronting beneficiaries of the Hawaiian Home Lands Trust. In fact, many believe that at this point, the best and only recourse is for claimants to litigate their claims in court. In this respect, your Committee wishes to retain this bill merely as a vehicle in the event that the State and beneficiaries are able to resolve their disputes during the course of this legislative session.

Accordingly, your Committee has amended this bill by deleting its contents and replacing it with that portion of the content of H.B. 1675, C.D. 1 that creates a Hawaiian Home Lands Individual Claims Compensation Commission to investigate various ways to compensate claimants who received a favorable ruling under the process established under chapter 674. Again, your Committee emphasizes that this language was inserted only to ensure that a vehicle remain in place. The language contained in this H.D. 1 carries very little weight and should not be construed as legislative intent with respect to any matter.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2110, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2110, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Kaho'ohalahala, Yoshinaga and Whalen.  
(Representatives Auwae, Pendleton and Thielen voted no).

**SCRep. 1017-00 Judiciary and Hawaiian Affairs on S.B. No. 2692**

The purpose of this bill as received is to provide salary adjustments for the Administrative Director and Deputy Administrative Director of the Judiciary, and to give the Chief Justice of the Supreme Court the discretion to determine such salaries based on merit and other factors, effective July 1, 2000.

Testimony in support of this measure was received from the Judiciary.

Your Committee finds that fair increase of the salaries of the Administrative Director and Deputy Administrative Director of the Judiciary will ensure the continued pursuit of excellence in the administration of the Judiciary.

Your Committee has amended this measure by:

- (1) Deleting the proposed specific salary increases and the retroactive nature of those increases;
- (2) Changing the effective date upon which the Chief Justice shall determine salary increases for the Administrative Director and Deputy Administrative Director from July 1, 2001, to July 1, 2000; and
- (3) Removing sections 3 and 4 providing for appropriations out of the general revenues of the State of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2692, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2692, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1018-00 Health and Consumer Protection and Commerce on S.B. No. 2459**

The purpose of this bill is to create a program for licensing counselors.

The Hawaii Counseling Association which also presented a petition signed by a number of concerned individuals, the Child & Family Service, Lynn C. Fox & Associates, the Hawaii Rehabilitation Counseling Association, the Rehabilitation Association of Hawaii, Case Management Works, Sestak Rehabilitation Services, and a number of concerned individuals testified in support of this measure. The Department of Commerce and Consumer Affairs, the Hawaii Nurses Association, and a number of concerned individuals provided testimony commenting on this measure and suggesting amendments. The Board of Psychology and a number of concerned individuals testified in opposition to the measure.

After careful consideration, your Committees have amended this measure by deleting its substance and inserting language reflected in a similar bill, H.B. No. 2165, H.D. 1. In so doing, the bill has been amended to:

- (1) More accurately define the title-protection program as one of certification rather than licensure;
- (2) Clarify that the program is intended specifically for mental health counselors; and

- (3) Adopt the private certification standards for mental health counselors as the state standard for regulation.

Minor, technical revisions were also made for purposes of style and clarity.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2459, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2459, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kahikina, Stegmaier and McDermott.

**SCRep. 1019-00 Water and Land Use on S.B. No. 2529**

The purpose of this bill is to approve the land exchange between the State and Earl E. Bakken for lands located in the Kiholo Bay vicinity of North Kona on the island of Hawaii and repeals authorization on June 30, 2001.

The state proposes to enter into a land exchange with Earl E. Bakken involving private lands located on the coast of Kiholo Bay, and nine acres of public lands located inland of Kiholo Bay. The coastal property to be acquired by the State is surrounded by state lands and has significant recreational, environmental, and cultural value to the people. The acquisition of this property would consolidate the State's holdings around Kiholo Bay and improve public access from mauka public lands to the shoreline. It also represents a critical parcel in the future development of a State Park at Kiholo Bay. The inland property to be acquired by Bakken is of significantly less public value due to its very limited recreational resources, but is located adjacent to Bakken's current residence.

The Office of Hawaiian Affairs (OHA) testified in opposition to this bill.

The Department of Land and Natural Resources (DLNR) offered comments and takes no position on this bill.

Your Committee finds that in processing this land exchange request, a Conservation Use District Application (CDUA) must be approved by the Board of Land and Natural Resources (BLNR). As part of the CDUA, numerous requirements must be met before legal documents are fully executed. Throughout this process, the general public is given the opportunity to comment on the proposal.

The CDUA was accepted on December 10, 1999, for processing. The 180-day processing period on the CDUA expires on June 7, 2000. DLNR has sent out the CDUA and draft environmental assessment (DEA) for agency comment to DLNR divisions, OHA, the Department of Health, and the County of Hawaii Planning Department for comment. In accepting the CDUA, a public hearing was held in Kona in February. No contested case hearing was requested as a result of that hearing.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2529, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2529, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takumi.

**SCRep. 1020-00 Economic Development and Business Concerns on S.B. No. 2409**

The purpose of this bill is to exempt certain activities of call centers from the General Excise Tax and the Public Service Company Tax.

The Hawaii Technology Trade Association, Chamber of Commerce of Hawaii, and Hawaii Technology Development Corporation testified in support of this measure. The Department of Taxation also testified in support of this measure, but deferred to the Department of Business, Economic Development, and Tourism on the definition of "call center". The Tax Foundation of Hawaii submitted comments on this measure.

Your Committee has amended this bill by adding provisions that:

- (1) Specify the terms and conditions, and the amount of qualified improvement tax credits, allowed for qualified improvement costs for property designated primarily for resort or hotel use by the counties, or property in which the primary purpose is for hotel or resort use or commercial or recreational use to support or service a hotel or resort use;
- (2) Disallow Transient Accommodations Tax credits from qualified improvement costs;
- (3) Require the Director of Taxation to develop procedures for the distribution and share of qualified improvement tax credits; and
- (4) Authorize the Director of Taxation to develop for each qualified taxpayer, a plan that phases in over a ten-year period, the qualified improvement tax credits claimed by the taxpayer under the bill.

Your Committee further amended the bill by making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2409, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2409, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay and Halford.

**SCRep. 1021-00 Economic Development and Business Concerns on S.B. No. 2779**

The purpose of this bill is to enhance the effectiveness of, and clarify the administration of, the State Enterprise Zones (Law), by:

- (1) Allowing the following businesses to qualify for enterprise zone (EZ) benefits:
  - (a) Businesses engaged in research, development, sale, or production for all types of genetically-engineering medical, agricultural, or maritime biotechnology products;
  - (b) Call centers; and
  - (c) Businesses that repair assisted technology equipment;

and
- (2) Specifying administrative procedures for obtaining EZ approval.

The Department of Business, Economic Development, and Tourism (DBEDT), the Department of Taxation, Hawaii Agriculture Research Center, and Hawaii Technology Trade Association testified in support of this measure. The Chamber of Commerce of Hawaii and High Technology Development Corporation testified in support of the intent of this measure.

Your Committee notes that this bill is similar to H.B. No. 2438, H.D. 2, which passed the House of Representatives earlier this session after public hearings before this Committee and the Committee on Finance.

Your Committee has made amendments to conform this bill to H.B. No. 2438, H.D. 2, by:

- (1) Deleting the requirement that qualified businesses in the EZs submit to DBEDT an approved form on an annual basis;
- (2) Deleting other specifications regarding administrative procedures for obtaining EZ approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2779, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2779, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Kaho'ohalahala, Morihara and Rath.

**SCRep. 1022-00 Economic Development and Business Concerns on S.B. No. 2924**

The purpose of this bill is to:

- (1) Assist public agencies by eliminating the requirement that a board adopt rules in accordance with chapter 91, Hawaii Revised Statutes, regarding meetings held by videoconference before a meeting can be held; and
- (2) Clarify that the public may attend a meeting held by videoconference at any location at which board members will be physically present during the videoconference meeting.

The Office of the Lieutenant Governor, the Attorney General, the Office of Information Practices, the University of Hawaii, and the League of Women Voters of Hawaii testified in support of the bill. The Chamber of Commerce of Hawaii testified in support of the intent of the measure.

Your Committee has amended this bill by deleting its contents and replacing it with the contents of H.B. No. 2583, H.D. 2, which was reported from the House after public hearings before your Committees on Economic Development and Business

Concerns and Judiciary and Hawaiian Affairs. H.B. No. 2583, H.D. 2, is substantially similar to S.B. No. 2924, S.D. 1, except for minor technical, nonsubstantive differences.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2924, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2924, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Ito, Kaho'ohalahala, Morihara and Rath.

**SCRep. 1023-00 Human Services and Housing on S.B. No. 2443**

The purpose of this bill is to require specified professionals, officers, employees, and teachers to report child abuse or neglect to either the police or the Department of Human Services.

The Department of Human Services, Honolulu Police Department, Department of the Prosecuting Attorney for the City and County of Honolulu, the Sex Abuse Treatment Center, and an individual, testified in support of this bill.

Your Committee finds that the current requirement to notify both the police department and the Department of Human Services, while implemented with good intentions, creates an unnecessary burden for people who suspect a child is being abused or neglected and may discourage prompt reporting of abuse or neglect.

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

- (1) Adding a section that exempts the Department of Human Services from the requirement of child care and adoption agencies to prepare medical history forms and obtain consent to release these forms from the natural parents, if the exemption expedites the adoption process and is in the child's best interest; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2443, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1024-00 Human Services and Housing on S.B. No. 2059**

The purpose of this bill is to establish a fair and equitable standard for Hawaii's cash assistance programs by setting cash assistance based on sixty-five percent of the 1993 federal poverty level.

The National Association of Social Workers, the Welfare and Employment Rights Coalition, and an individual testified in support of the intent of this measure. The Department of Human Services (DHS) testified in support of increasing benefits, but opposed any legislation that exceeds the Executive Budget. The Kokua Council submitted comments.

DHS projects that it would require an additional \$8,100,000 in state funds to increase the payment standard to sixty-five percent of the 1993 federal poverty level. Your Committee finds that the same result can be achieved by using the current federal poverty level and adjusting the percentage that DHS uses to calculate cash assistance.

Your Committee has amended this measure by:

- (1) Basing cash assistance on fifty-five percent, but not less than forty-three percent, of the 2000 federal poverty level;
- (2) Increasing cash assistance annually based on the corresponding annual cost-of-living adjustment provided by the Bureau of Labor Statistics, but no lower than twenty percent less than the annual adjustment;
- (3) Providing for reduction adjustments; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2059, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2059, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1025-00 Human Services and Housing and Health on S.B. No. 2579**

The purpose of this bill is to provide homeless persons needing treatment for mental illness and substance abuse the support needed to maintain housing by:

- (1) Establishing the Special Needs Housing Special Fund (Special Fund) to be used to provide supportive housing for persons with mental illness and substance abuse addictions in the homeless population; and
- (2) Authorizing an unspecified amount in general obligation bonds to be deposited into the Special Fund.

The Health Care for the Homeless Project, the National Alliance for the Mentally Ill - Oahu, the Hawaii Substance Abuse Coalition, the Mental Health Association in Hawaii, the Affordable Housing and Homeless Alliance, the Institute for Human Services, and several individuals testified in support of this measure.

The Department of Public Safety, the Department of Health, and the Housing and Community Development Corporation of Hawaii testified in support of the intent of this measure. The Department of Budget and Finance submitted comments.

This measure provides the necessary housing needed for a safe, secure environment away from street drugs, crime, and the influences that prevents these vulnerable populations from seeking and finding treatment and services.

Your Committees have amended this measure by:

- (1) Specifying that all moneys for the Special Fund will be provided only from gifts, donations, and grants from public agencies and private persons;
- (2) Authorizing \$5,000,000 for the issuance of general obligation bonds to provide supportive housing for persons with mental illness and substance abuse addictions in the homeless population;
- (3) Providing that no funds will be made available unless the private sector provides a twenty percent match; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2579, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2579, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami and Yamane.

**SCRep. 1026-00 Consumer Protection and Commerce on S.B. No. 2742**

The purpose of this bill is to repeal part III of chapter 148, Hawaii Revised Statutes, which contains a single provision mandating that the Board of Agriculture require retailers to label pork produced in the State, "Island Produced Pork."

Your Committee received testimony in support of this measure from the Department of Agriculture (DOA).

The DOA stated that the pork labeling law is impossible to enforce and imposes unnecessary costs on small businesses. The DOA stated that it preferred a program of voluntary labeling, and that mislabeling would be regulated under existing laws.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2742 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1027-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 3179**

The purpose of this measure is to prohibit the sale and distribution of cigarettes designated for export and sale outside the United States and the altering of cigarette packages.

Testimony in support of this measure was submitted by the Legislative Information Services of Hawaii.

The Office of Information Practices (OIP) submitted testimony that took "no position" on the substance of the bill. However, OIP raised concerns with the language of the bill that would exempt from chapter 92F, Hawaii Revised Statutes, a statement to be filed with the Department of Taxation identifying the quantity, brand, and supplier of cigarettes being imported.

Upon consideration of this measure, your Committees have amended this bill by replacing its contents with the substantive provisions of H.B. No. 2961, H.D. 3, a similar bill that was reported from your Committee on Finance earlier in this session.

Your Committees have also amended this measure by replacing the blank effective date with an effective date of July 1, 2050, to ensure further discussion on this bill.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3179, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 3179, H.D. 2.

Signed by all members of the Committees except Representatives Chang, Hamakawa, Herkes, Hiraki, Takumi, Yoshinaga, Halford and Pendleton.

#### **SCRep. 1028-00 Judiciary and Hawaiian Affairs on S.B. No. 2115**

The purpose of this bill as received is to establish a False Claims Act that allows the State or a private plaintiff to bring a civil action to recover damages from a person who presents a false claim to the State.

Testimony in support of this measure was received from the State Department of the Attorney General and the Consumer Lawyers of Hawaii.

Your Committee finds that a State False Claims Act will provide restitution of money taken from the State by fraud. The genesis of the False Claims Act stems from the Civil War period, when President Abraham Lincoln urged Congress to enact a scheme to address and prevent widespread fraud by private military contractors. In 1863, Congress passed legislation that allowed private informers or "relators" to bring fraud actions against contractors on behalf of the United States. These lawsuits are referred to as "qui tam" actions, which means "Who sues on behalf of the King as well as for himself."

Your Committee finds that a State False Claims Act will benefit the citizens of Hawaii in several ways. A State False Claims Act will provide for the restitution of money taken from the State by fraud. It will promote lawsuits which the State is not equipped to bring on its own. This bill will allow for qui tam actions against contractors and suppliers who, due to their close relationship with the Executive Branch, would not otherwise be investigated or prosecuted and it will encourage and provide an incentive for those with knowledge of fraud to come forward. Finally, a State False Claims Act will have a preventative effect and discourage fraud from occurring in the first place.

Your Committee further notes that in recent years, potential abuses have been exposed which may result in qui tam actions. For example, in 1998, the Legislative Auditor found discrepancies in the cost of some contracts that had been awarded to private providers of special education services. In one instance, the Auditor noted that payment rates for certain special education contracts were markedly higher than the rates paid by other state agencies for the same or more extensive services. For example, a private provider charges \$100 a day for a child placed by the Office of Youth Services for group home services while it charges \$260 a day for a child placed by the Child and Adolescent Mental Health Division. The reason for the discrepancy is that the Division bases payment on costs identified by the provider whereas other agencies tell providers what they are willing to pay.

Your Committee has amended this measure by deleting the provisions of the bill and inserting the provisions of H.B. 1804, H.D. 2, and the following provisions:

- (1) Allowing for the recovery of attorney fees incurred in a civil action for false claims presented to the State;
- (2) Allowing the attorney general to bring a civil action, as opposed to mandating that the attorney general bring a civil action;
- (3) Allowing an employee who has been discharged, demoted, suspended, threatened, harassed, or otherwise discriminated against because of the furtherance of an action under this part, to recover all relief necessary to make that employee whole, including two times the amount of back pay with interest, that the employee lost;
- (4) Applying the Act to false claims submitted up to six years prior to its effective date; and
- (5) Clarifying that the provisions of the Act are not exclusive, but are in addition to other applicable law or remedy, and are to be liberally construed and applied to promote the public interest.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2115, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2115, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

#### **SCRep. 1029-00 Judiciary and Hawaiian Affairs on S.B. No. 2523**



The purpose of this bill is to limit fees for copying state and county government records to 25 cents per page.

Testimony in support of this measure was received from the State Office of Information Practices, League of Women Voters, and Common Cause Hawaii.

Your Committee finds that limiting copying fees to 25 cents per page will balance the need for information by the public with the cost of reproduction to government entities.

Your Committee has amended this bill by leaving the effective date blank.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2523, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2523, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1030-00 Judiciary and Hawaiian Affairs on S.B. No. 2545**

The purpose of this bill is to improve compliance with, and enforcement of, the glass advance disposal fee law by clarifying that all glass importers are subject to record keeping requirements and inspection by the Department of Health, regardless of whether they are registered with the Department of Health.

Testimony in support of this measure was received from the State Department of Health and Hawaii Food Industry Association.

Your Committee finds that the provisions of this bill will promote compliance with, and enforcement of, the glass recovery law.

Your Committee has amended this measure by adding language to Section 1 clarifying the purpose of the Act.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2545, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 2545, H.D. 1.

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

**SCRep. 1031-00 Judiciary and Hawaiian Affairs on S.B. No. 2850**

The purpose of this bill is to establish kinship care by providing guidelines under which a person may become a kinship provider.

The Department of the Attorney General and the Department of Human Services testified in support of this measure.

Your Committee finds that this measure will allow the Department of Human Services to obtain criminal history records of adult relatives who provide care to related children apart from the children's parents or guardians.

Your Committee amended this bill by:

1. Requiring the Department of Human Services to adopt rules relating to kinship care including, among other things, the legal rights and responsibilities of the affected parties; and
2. Leaving the effective date of this bill unspecified.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2850, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 2850, S.D. 1, H.D. 2.

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

**SCRep. 1032-00 Water and Land Use on S.B. No. 2301**

The purpose of this bill is to expand the authority of the Department of Transportation by granting it the powers and duties to control and manage maritime lands. This bill broadly defines maritime land as any land required for commercial and industrial activities that are dependent on being adjacent to the harbor.

The Chamber of Commerce of Hawaii, Young Brothers, Limited, CSX Lines, and American Hawaii Cruises testified in support of this bill. The Department of Land and Natural Resources and the Sand Island Business Association opposed passage of this measure. The City and County Department of Planning and Permitting and Hawaii's Thousand Friends offered comments.

According to certain testifiers, this bill seeks to ensure that current and future land use for maritime purposes are preserved. The California Coastal Commission has instituted a similar definition as a means to reserve and preserve lands necessary for activities that cannot be accomplished elsewhere.

Your Committee has amended this bill by:

- (1) Specifying that maritime lands refer only to public lands;
- (2) Inserting a definition for maritime lands and excluding the following lands from this definition:
  - (a) The Sand Island Business Association Industrial Lease Area;
  - (b) Lands managed by the Hawaii Community Development Authority; and
  - (c) State boating facilities under chapter 200, Hawaii Revised Statutes;
- (3) Requiring that Piers 1 and 2 and its adjacent areas be limited to maritime use; and
- (4) Making technical, nonsubstantive amendments for the purpose of style.

Your Committee strongly supports leaving Piers 1 and 2 as well as necessary adjacent lands in that area in maritime use.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2301, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2301, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Takumi.

**SCRep. 1033-00 Economic Development and Business Concerns on S.B. No. 2781**

The purpose of this bill is to replace the qualified improvement tax credit established by Act 306, Session Laws of Hawaii (SLH) 1999, with a four per cent tax credit for specified hotel construction and remodeling for taxable years beginning after December 31, 1998, and before January 1, 2001.

The Department of Taxation, Land Use Research Foundation of Hawaii, Subcontractors Association of Hawaii, American Institute of Architects, Hawaii Resort Developers Conference, Hawaii Hotel Association, American Resort Development Association of Hawaii, Plumbers and Fitters Local 675, Department of Business, Economic Development, and Tourism, Hilton Hawaiian Village, Hidano Construction, and Waikiki Improvement Association testified in support of this bill. The Chamber of Commerce of Hawaii, Hawaii Construction Industry Association, Hawaii Tourism Authority, Building Industry Association of Hawaii, Retail Merchants of Hawaii, National Federation of Independent Business, Visitor Industry Coalition, and Outrigger Hotels and Resorts supported the intent of this bill. The Tax Foundation of Hawaii offered comments. The Hawaii Chapter of the Sierra Club testified in opposition to this bill.

Your Committee has amended this bill by:

- (1) Restricting the credit from applying to taxable years beginning after December 31, 2006;
- (2) Leaving the effective date blank; and
- (3) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2781, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2781, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay and Halford.

**SCRep. 1034-00 Economic Development and Business Concerns on S.B. No. 3032**

The purpose of this bill is to establish a Center for Asia-Pacific Infrastructure Development (Center) within the Department of Business, Economic Development, and Tourism (DBEDT) for infrastructure development and project finance training by:

- (1) Requiring the Director of Business, Economic Development, and Tourism to, among other things, establish such a Center; and
- (2) Appropriating funds for the establishment of the Center.

DBEDT and the Pacific International Center for High Technology Research testified in support of the measure.

Your Committee has amended this bill by deleting its contents and adding provisions that:

- (1) Specify the terms and conditions, and the amount of qualified improvement tax credits, allowed for qualified improvement costs for property designated primarily for resort or hotel use by the counties, or property in which the primary purpose is for hotel or resort use or commercial or recreational use to support or service a hotel or resort use;
- (2) Disallow Transient Accommodations Tax credits from qualified improvement costs;
- (3) Require the Director of Taxation (Director) to develop procedures for the distribution and share of qualified improvement tax credits;
- (4) Authorize the Director to develop for each qualified taxpayer, a plan that phases in over a ten-year period, the qualified improvement tax credits claimed by the taxpayer under the bill;
- (5) Partially exempt the Hawaii Tourism Authority from the Environmental Impact Statements (EIS) Law; and
- (6) Amend the definition of "action" under the EIS Law to exclude any marketing and promotional program that does not require a discretionary permit.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3032, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3032, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.  
(Representative Kaho'ohalahala voted no).

**SCRep. 1035-00 Economic Development and Business Concerns on S.B. No. 2711**

The purpose of this bill is to:

- (1) Provide that any administrative rule that has been adopted pursuant to statute or ordinance that has been repealed, shall be repealed within six months, without regard to the notification requirements of the Administrative Procedure Law under chapter 91, Hawaii Revised Statutes; and
- (2) Exempt from such requirement, any administrative rule that has been adopted pursuant to a federal statute or regulation.

The Housing and Community Development Corporation of Hawaii and an individual testified in support of the measure. The Chamber of Commerce of Hawaii testified in support of the intent of the measure.

Your Committee has amended this bill by deleting its contents and inserting the substantive provisions of:

- (1) H.B. No. 1863, H.D. 2, which requires that state or county agencies adopting rules in response to federal provisions impose only the minimum regulatory requirements necessary for compliance, except that stricter requirements may be adopted if the agency:
  - (a) Includes a justification document for the excess regulatory requirements, when submitting the rules to the Governor or mayor of the county for approval; and
  - (b) Subsequently makes the rules and the justification document available for review by the Governor, the Legislature, or the mayor of the county;
- (2) H.B. No. 1864, H.D. 1, which:
  - (a) Automatically repeals without regard to the requirements of the Administrative Procedures Law:
    - (i) Any administrative rule that has been adopted pursuant to a statute or ordinance that has been subsequently repealed prior to the effective date of the bill; and
    - (ii) Upon the repeal of a statute or ordinance, any administrative rule that has been adopted pursuant to the repealed statute or ordinance; and

- (b) Specifies that the provisions shall not apply to an administrative rule adopted pursuant to a subsequently repealed statute or ordinance that is readopted by operation of law as a part of a transfer of functions from one department or agency to another department or agency;
- (3) H.B. No. 2187, H.D. 2, which:
  - (a) Provides for the review of administrative agency rules by the Joint Legislative Management Committee; and
  - (b) Prohibits agencies from exceeding the scope of substantive statutory authority conferring the power to adopt rules;
 and
- (4) H.B. No. 2188, H.D. 2, which:
  - (a) Requires that whenever an administrative rule is adopted, amended, or repealed, the rule conforms to the related statutes;
  - (b) Specifies that after a public hearing has been held on any administrative rule as required by law, the proposed rules shall not be adopted unless the head of the agency affected by the administrative rules concurs that the proposed rule conforms and has a rational nexus to the related statutes; and
  - (c) Extends the sunset date of Act 168, Session Laws of 1998, which established the Hawaii Small Business Regulatory Flexibility Act.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2711, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2711, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Abinsay and Halford.

**SCRep. 1036-00 Economic Development and Business Concerns and Labor and Public Employment on S.B. No. 2988**

The purpose of this bill is to ensure prompt payment on state projects by contractors to subcontractors by penalties on contractors failing to properly pay amounts to contractors.

The Hawaii Construction Industry Association, Plumbing and Mechanical Contractors Association of Hawaii, Subcontractors Association of Hawaii, Building Industry Association of Hawaii, Construction Industry Legislative Organization, Inc., General Contractors Association of Hawaii, and Hidano Construction, Inc. testified in support of this measure. The Department of Accounting and General Services testified in support of the intent of this measure. The State Procurement Office submitted comments on this measure.

Your Committees note that this bill is similar to H.B. No. 2878, H.D. 2, which passed the House of Representatives earlier this session after public hearings before this Committee, your Committee on Labor, and your Committee on Finance.

Your Committees have amended this bill by deleting its contents and inserting the substantive provisions of H.B. No. 2878, H.D. 2. As amended, this bill:

- (1) Specifies that subcontractors provide evidence to contractors of a valid union trust fund benefit payment bond, performance/payment bond, other bond, or another mutually-agreeable form of collateral;
- (2) Imposes penalties on contractors for failing to properly pay amounts owed to subcontractors; and
- (3) Requires the Procurement Policy Board to adopt rules on prompt payment and retainage.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2988, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2988, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki, Kaho'ohalahala, Morihara, Okamura, Saiki, Suzuki, Halford, Rath and Whalen.

**SCRep. 1037-00 Agriculture on S.B. No. 2747**

The purpose of this bill is to allow the Department of Agriculture, by cooperative agreement, to designate and authorize employees of federal agencies to carry out, on behalf of the State, the same duties and responsibilities of state personnel under chapters 141, 142, and 150A of the Hawaii Revised Statutes and corresponding administrative rules for effective prosecution of pest control, animal disease control, regulation of import into the State, and intrastate movement of regulated articles.

The Department of Agriculture (DOA) testified in support of this measure.

Your Committee finds that state and federal cooperative agreements are beneficial to the efficient use of resources for both the state and federal agencies involved. Your Committee believes that this amendment will give the DOA greater flexibility in managing its resources during these difficult fiscal times.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2747, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1038-00 Health on S.B. No. 2165**

The purpose of this bill is to give children additional access to physical examinations by:

- (1) Authorizing naturopathic physicians to certify physical examinations for Department of Education (DOE) school entrance requirements; and
- (2) Requiring DOE to provide health certificate forms for physical examinations to naturopaths.

The Hawaii Nurses' Association, the Hawaii Society of Naturopathic Physicians, and many individuals testified in support of this measure. The Hawaii Medical Association opposed this measure. The Department of Health (DOH) submitted comments.

This measure authorizes naturopathic physicians to perform physical examinations by amending sections 302A-1159 and 302A-1160, Hawaii Revised Statutes (HRS). DOH testified that it prefers the approach taken in H.B. No. 2764, H.D. 1, which amends section 302A-101, HRS, by adding the definition of "licensed physician" to include naturopathic physicians as health care professionals authorized to perform physical examinations to DOE students under section 302A-1159, HRS.

Your Committee agrees with DOH and has amended this measure by deleting its substance and inserting language from H.B. No. 2764, H.D. 1.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2165, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2165, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Stegmaier and McDermott.

**SCRep. 1039-00 Health on S.B. No. 2621**

The purpose of this bill is to collect data on fireworks-related injuries by requiring health care facilities to report all incidents of injuries and fatalities caused by fireworks to the Department of Health (DOH) and the police department of the county in which the person was attended or treated.

The Hawaii Nurses' Association testified in support of this measure. DOH testified in support of the intent of this measure. The Legislative Information Services of Hawaii submitted comments.

Your Committee finds that anecdotal reports of fireworks-related injuries have been more forthcoming from health care facilities over recent years. Unfortunately, there is no organized method of reporting these injuries. This measure would establish a system of central reporting and tracking fireworks-related injuries and fatalities.

Your Committee has amended this measure by:

- (1) Clarifying that reportable injuries must be serious injuries and caused by legal and illegal fireworks;
- (2) Changing the definition of "health care facility" from any program, institution, place, building, or agency to any outpatient clinic, emergency room, or doctor's office;
- (3) Deleting the option that the report include information on the type of fireworks and the nature of the injuries; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2621, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2621, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Stegmaier and McDermott.

**SCRep. 1040-00 Health and Energy and Environmental Protection on S.B. No. 2247**

The purpose of this bill is to find solutions and compromises to the feral cat overpopulation problem by:

- (1) Creating a task force to oversee the management and control of feral cat colonies in the State; and
- (2) Requiring the Department of Health (DOH) to freeze the adoption of any rules relating to feral animals until the task force completes its discussions and recommendations.

The Animal CARE Foundation, the Hawaii Cat Foundation, Abandoned and Feral Cat Friends, Animal Rights Hawaii, the Oahu Cat Coalition, and many individuals testified in support of this measure. DOH and the Hawaiian Humane Society testified in support of the intent of this measure. The Pacific Island Ecosystems Research Center, the American Bird Conservancy, the Hawaii Audubon Society, and many individuals opposed this measure. The Board of Land and Natural Resources and the Nature Conservancy of Hawaii submitted comments.

Your Committees find that the effects of feral cat overpopulation are far-reaching, and a humane solution must be found. This measure facilitates open and inclusive dialogue that is important to resolving this complex problem.

Your Committees have amended this measure by:

- (1) Broadening the purpose and findings section to include other concerns regarding the overpopulation of feral cats;
- (2) Replacing the the representatives of the various branches of the United States armed forces to serve on the task force with one representative from the United States Pacific Command;
- (3) Deleting from the task force:
  - (A) Representatives of property owners and managers;
  - (B) No fewer than five cat colony managers selected from a list of volunteers of colonies where the Trap/Neuter/Return Program is in place; and
  - (C) Other persons with interest in or expertise on feral cat overpopulation issues;
- (4) Deleting the requirement that DOH freeze the adoption of any rules relating to feral animals until the task force completes its discussions and recommendations; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity and style.

While representation on the task force has been reduced, your Committees encourage all interested parties impacted by this issue to provide input and to be a part of the solution.

As affirmed by the records of votes of the members of your Committees on Health and Energy and Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2247, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2247, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki, Cachola, Kahikina, Lee, Schatz, Takumi and Leong.

**SCRep. 1041-00 Health and Education on S.B. No. 2387**

The purpose of this bill is to promote the efficient use of assistive technology devices by:

- (1) Requiring the Department of Education (DOE) to sell an assistive technology device to a student with a disability, upon request and at a depreciated price, as the student leaves the school system; and
- (2) Requiring that procuring agencies receive training regarding procurement of such devices from the assistive technology project designated for Hawaii under the federal Assistive Technology Act of 1998.

The Assistive Technology Resource Centers of Hawaii and several individuals testified in support of this measure. The State Planning Council on Developmental Disabilities testified in support of the intent of this measure. DOE opposed this measure. The State Procurement Office submitted comments.

Your Committees believe that students leaving the school system who continue to use assistive technology devices that they are familiar with and which meet their special needs would be provided many new opportunities to enhance their job skills and education, which would eventually lead to employment and independent living.

Your Committees have amended this measure by:

- (1) Authorizing, instead of requiring, DOE to sell an assistive technology device to a student with a disability, upon request and at a depreciated price, as the student leaves the school system;
- (2) Creating a new section in chapter 103D, Hawaii Revised Statutes (HRS), instead of amending section 103D-1213, HRS, for the purposes of this measure;
- (3) Requiring DOE to account for every assistive technology device purchased in the last five years, and report back to the Legislature; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2387, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2387, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Arakaki, Morihara and Okamura.

**SCRep. 1042-00 Economic Development and Business Concerns and Consumer Protection and Commerce on S.B. No. 2289**

The purpose of this bill is to clarify that a general excise tax on prepaid telephone calling services is imposed at the point of sale.

The Department of Taxation, AT&T, and GTE Hawaiian Telephone Company Incorporated testified in support of this bill. The Tax Foundation of Hawaii offered comments on this bill.

Your Committees find that telephone carriers currently charge consumers with a public service company tax and the general excise tax when a prepaid calling card is used, while some retailers charge consumers the general excise tax on the sale of the cards. Therefore, some consumers are taxed twice, when the card is purchased and when used. This bill eliminates double taxation by imposing the general excise tax on prepaid telephone calling services at the point of sale to the consumer.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2289, S.D. 2 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Ahu Isa, Chang, Halford, Herkes, Thielen and Whalen,

**SCRep. 1043-00 Economic Development and Business Concerns and Consumer Protection and Commerce on S.B. No. 2473**

The purpose of this bill is to modify the Small Business Defender (SBD) law by:

- (1) Giving the SBD the discretion to accept or refuse any case;
- (2) Limiting the liability of the SBD; and
- (3) Transferring the SBD from the Legislature to the Department of Budget and Finance (B&F).

This bill also appropriates funds to the SBD and other support personnel

The Small Business Regulatory Review Board, Associated Builders and Contractors, Inc., the Chamber of Commerce of Hawaii, National Federation of Independent Business, and an individual supported this bill. The Hawaii Business League supported this bill with reservations. The Attorney General supported the intent of this bill. The B&F and an individual commented on this bill.

Upon further consideration, your Committees have amended this bill by deleting its contents and inserting the substantive provisions of H.B. 1956, H.D. 1. As amended, this bill:

- (1) Makes the SBD permanent;
- (2) Places the SBD within the B&F for administrative purposes; and
- (3) Appropriates funds to the SBD.

Your Committees find that these provisions will make the SBD better able to serve small businesses in Hawaii. Placing the SBD within the B&F will allow the SBD to more effectively pursue its agenda.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2473, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2473, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Ahu Isa, Chang, Halford, Herkes, Thielen and Whalen,

**SCRep. 1044-00 Water and Land Use on S.B. No. 2914**

The purpose of this bill is to allow for the deposit of moneys collected from lessees of public lands within industrial parks into the Special Land and Development Fund (Fund). This bill also abolishes the Industrial Special Fund and transfers the fund balance and liabilities to the Special Land and Development Fund.

The Department of Land and Natural Resources (DLNR) testified in support of this bill.

Your committee finds that in response to the current fiscal condition of the State and the need to generate general fund savings, DLNR is proposing to convert its Land Division operating budget, including all personnel, from general to special funds. This bill makes the statutory changes necessary to implement this plan and accompanies the Administration's budget request to convert this program to special funds.

The Land Division generates revenues through the leasing of public lands. Presently, some of these revenues are deposited into two special funds. Revenues from non-ceded lands and fees, fines and other administrative charges under chapter 171, Hawaii Revised Statutes, are deposited into the Fund. Revenues from designated industrial parks developed and managed by the Land Division are deposited into the Industrial Park Special Fund.

Act 160, Session Laws of Hawaii 1999, expanded the uses of the Fund to allow for the planning, development, management, operations or maintenance of all lands and improvements under the control and management of the Board of Land and Natural Resources, which includes designated industrial parks.

Your Committee amended this bill by removing language regarding Article XII, section 6, of the State Constitution, to avoid duplication of the transfer of moneys.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2914, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2914, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Morita, Takumi and Thielen.

**SCRep. 1045-00 Judiciary and Hawaiian Affairs on S.B. No. 2475**

The purpose of this bill is to ensure gender equity in high school athletics.

The Department of Education, the Hawaii Civil Rights Commission, the Commission on the Status of Women, the Hawaii State Teachers Association, and concerned individuals testified in support of this measure.

Your Committee anticipates that this measure will assist the State's efforts to reach substantial compliance with Title IX of the federal Educational Amendments of 1972.

Your Committee amended this bill by:

1. Deleting the description of gender based discrimination in sports for public high schools;
2. Inserting a two-year sunset date for the advisory commission; and
3. Leaving the effective date of this act unspecified.



As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2475, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 2475, S.D. 1, H.D. 2.

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

**SCRep. 1046-00 Judiciary and Hawaiian Affairs on S.B. No. 2607**

The purpose of this bill as received is to establish a trust fund for the Commission on the Status of Women and to update statutory language relating to the duties and powers of the Commission on the Status of Women.

Testimony in support of this measure was received from the State Commission on the Status of Women, Department of Public Safety, Department of Labor and Industrial Relations, Civil Rights Commission, City and County of Honolulu Department of Community Services, Department of Human Resources, Hawai'i Women Lawyers, Parents and Children Together, American Friends Service Committee, Hawaii State Coalition Against Domestic Violence, University of Hawai'i at Manoa Women's Center, Violence Prevention Consortium, National Association of Social Workers, The Hawaii Coalition for Affordable Long Term Care, Sex Abuse Treatment Center, Family Planning Centers of Hawaii, and several concerned individuals. Testimony was also received from the State Department of Accounting and General Services.

Your Committee finds that establishment of a private charitable trust fund will enable the Commission to become financially self-sufficient, thereby alleviating the concerns of the community regarding the effects of State budget cuts on the Commission's activities.

Your Committee has amended this measure by deleting the specific areas of concern to women in Hawaii listed in Section 367-1, Hawaii Revised Statutes, and deleting the proposed subsection (9) to Section 367-3, Hawaii Revised Statutes, allowing the Commission to establish a non-profit organization.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2607, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2607, S.D. 1, H.D. 2.

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

**SCRep. 1047-00 Labor and Public Employment on S.B. No. 2312**

The purpose of this bill is to:

- (1) Transfer general funds to the Hoisting Machine Operators Certification Revolving Fund (Fund); and
- (2) Appropriate moneys from the Fund for certification and related activities for hoisting machine operators.

The Department of Labor and Industrial Relations and the Hawaii Operating Engineers Industry Stabilization Fund testified in support of this legislation.

Your Committee finds that supplemental funds are needed to maintain the activities of the Hoisting Machine Operators Advisory Board.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2312, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Okamura and Saiki.

**SCRep. 1048-00 Labor and Public Employment on S.B. No. 2061**

The purpose of this bill is to evaluate gender-based pay discrimination among state employees and implement policies that will remedy inequities that exist and prevent inequities from occurring in the future. It will accomplish this by:

- (1) Requiring the Director of Human Resources Development (Director) to maintain and examine state personnel records to ascertain the existence of any discrimination in the wages paid to men and women for the same or equivalent jobs; and
- (2) Establishing a pay equity task force that will:
  - (a) Review any relevant information; and

- (b) Make recommendations to the Legislature for funds and specific actions that will correct any gender-based pay inequities discovered.

The Department of Human Resources Development, Hawaii State Commission on the Status of Women, Hawaii Women Lawyers, and Parents and Children Together testified in support of this bill. The Hawaii Civil Rights Commission supported the intent of this bill.

After careful consideration your Committee has amended this bill by deleting its substance and inserting language reflected in a similar bill, H.B. No. 1833, H.D. 1.

As amended, this bill seeks to equalize wage differentials between men and women and between minorities and nonminorities for the same work, and also for dissimilar work that require equivalent composites of skill, effort, responsibility, and working conditions, by:

- (1) Requiring the Director to gather information from departments with civil service employees regarding job titles, wages, and methods of wage calculation; and
- (2) Implementing a Fair Pay Project for civil service employees.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2061, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2061, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Goodenow, Okamura and Saiki.

**SCRep. 1049-00 Labor and Public Employment on S.B. No. 2171**

The purpose of this bill is to authorize up to thirty days paid leave of absence for state and county employees, who are certified Red Cross disaster volunteers, who respond to out of state disasters.

The Hawaii State Chapter of the American Red Cross, Hawaii Government Employees Association, and the Hawaii Nurses' Association testified in support of this legislation. The State of Hawaii Department of Defense supported the intent of this bill.

Your Committee finds that Red Cross disaster volunteers provide an invaluable service to the community in times of disasters and other catastrophic events. Currently, state workers, who are certified by the Red Cross, are compensated at their normal rate when doing disaster work within the state but are not compensated for any disaster work done outside the State.

Your Committee also finds that disasters often create demands for experienced relief personnel that cannot be met locally and therefore the State must rely on volunteers from other states. Hawaii has recently benefitted from out-of-state volunteers who assisted in disasters here. Furthermore, it is to the benefit of society in general that the State show its commitment to helping those in need during periods of disaster by allowing state workers who are certified Red Cross disaster volunteers to be paid at their regular rate for time spent doing relief work.

Your Committee has amended this bill by:

- (1) Including a reference to the Red Cross as a federally chartered nongovernment disaster relief organization; and
- (2) Correcting a citation to a section of the Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2171, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2171, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hiraki, Okamura and Saiki.

**SCRep. 1050-00 Labor and Public Employment on S.B. No. 2672**

The purpose of this bill is to prohibit public employees from taking official action that directly affects a business or undertaking in which a family member has a substantial financial interest.

The Hawaii State Ethics Commission and Common Cause Hawaii testified in support of this bill.

Your Committee finds that this bill expands existing law to encompass familial relationships of a state employee with regard to potential conflicts of interest. In doing so, this bill will preserve the public's confidence in government decision-making.

Your Committee has amended the bill by:

- (1) Limiting the prohibited act of an employee to those where the employee state of mind is "knows" rather than "has reason to know" that a familial member is involved;
- (2) Removing "household member" from the list of familial relationships that the employee shall not take direct official action upon; and
- (3) Making technical nonsubstantive changes.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2672, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2672, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Goodenow, Okamura and Saiki.

**SCRep. 1051-00 Agriculture and Public Safety and Military Affairs on S.B. No. 2134**

The purpose of this bill is to provide a discount for animal quarantine fees to active duty military personnel.

The Honolulu Council Navy League, Hickam Air Force Base, and several individuals testified in support of the measure. A member of Hawaii's Congressional Delegation, Department of Business, Economic Development, and Tourism, Chamber of Commerce of Hawaii, Hawaiian Humane Society, and Hawaii Business Roundtable testified in support of the intent of this measure with comments. The Department of Agriculture testified that it does not support this measure.

Your Committees have amended this bill by deleting its substance and inserting new material, the purpose of which is to:

- (1) Reduce the user fee assessed by the Animal Quarantine Station by a certain percentage of the user rate that existed on January 1, 2000;
- (2) Not require the repayment from the Animal Quarantine Special Fund (Special Fund) to the general fund, any of the \$600,000 that was initially deposited from the general fund to the Special Fund; and
- (3) Appropriate funds from the general fund into the Special Fund.

As affirmed by the records of votes of the members of your Committees on Agriculture and Public Safety and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2134, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2134, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Herkes, Morihara, Halford and Pendleton.

**SCRep. 1052-00 Economic Development and Business Concerns and Higher Education on S.B. No. 2482**

The purpose of this bill is to support the development of the biotechnology industry in Hawaii by:

- (1) Allowing biotechnology companies to sell their unused net operating loss carryover and unused tax credits to other qualified biotechnology companies; and
- (2) Extending the capital loss carryforward to fifteen years for biotechnology companies.

The Hawaii Technology Trade Association testified in support of the measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of the measure. The Department of Taxation (DOTAX) also testified in support of the intent of the measure but had concerns that the bill would add complexity to Hawaii's tax laws and impose administrative burdens on both state taxpayers and DOTAX. The Tax Foundation of Hawaii submitted comments on the measure.

It is the intent of your Committees to find an appropriate definition for "technology consulting services" so that companies that provide such services may benefit from the provisions in this bill.

Your Committees have amended this bill by:

- (1) Adding the substantive provisions of H.B. No. 2607, H.D. 2, which strengthens high technology business incentives provided in Act 178, Session Laws of Hawaii 1999, for high technology businesses;
- (2) Inserting the amounts of \$1 with regard to the limit of the net operating loss carryovers and tax credits that a qualified biotechnology company may sell;
- (3) Changing the applicability of the bill to taxable years beginning after December 31, 2010; and

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

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2482, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2482, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Herkes, Abinsay, Arakaki, Okamura, Stegmaier and McDermott.

**SCRep. 1053-00 Economic Development and Business Concerns and Higher Education on S.B. No. 2948**

The purpose of this bill is to strengthen high technology business incentives provided in Act 178, Session Laws of Hawaii 1999, for high technology businesses.

Specifically, this bill:

- (1) Designates certain performing arts products such as music CDs, videos, and computer animation as qualified research, thereby allowing high technology businesses to qualify for:
  - (A) The income tax exclusion for income from stock options; and
  - (B) The high technology investment tax credit;
- (2) Expands the exclusion from income of royalty and other income derived from patents and copyrights, to include income derived from trade secrets;
- (3) Allows partnership investors the flexibility of allocating the high technology business investment tax credit among partners, without regard to federal income tax rules; and
- (4) Increases the state research development tax credit rate to match the federal tax credit.

The Department of Taxation and the High Technology Development Corporation testified in support of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committees have amended this bill by deleting its contents and inserting the substantive provisions of:

- (1) S.B. No. 2420, S.D. 2, which establishes the five-year New Economy Technology Scholarship Pilot Program to:
  - (a) Create a sustained pool of highly-trained technology workers in the shortest time possible; and
  - (b) Encourage Hawaii students to pursue higher education and training in science and technology fields;and
- (2) H.B. No. 2955, H.D. 1, which provides an income tax credit for the cost of training the taxpayer or the taxpayer's employees to upgrade their technology-related skills.

Technical, nonsubstantive amendments were made for clarity and style.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2948, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Herkes, Abinsay, Arakaki, Okamura, Stegmaier and McDermott.

**SCRep. 1054-00 Energy and Environmental Protection on S.B. No. 2879**

The purpose of this bill is to regulate the disposal of used motor vehicle tires by:

- (1) Requiring all facilities that accept used tires, including tire retailers, wholesalers, transporters, collectors, and recyclers, to maintain records for three years on the entity from whom the used tires were received and in the manner in which the used tires were disposed;
- (2) Requiring all importers to pay a surcharge of \$1 for each new tire imported into the State after September 30, 2000, and before January 1, 2006;

- (3) Requiring that the surcharge be deposited into the Environmental Management Special Fund to be used to:
  - (a) Fund tire permitting, monitoring, and enforcement activities;
  - (b) Promote market development and reuse opportunities;
  - (c) Promote tire recovery, recycling, and reuse; and
  - (d) Prevent illegal dumping.

The Department of Health, the Legislative Information Services of Hawaii, and the Hawaii Automotive Repair and Gasoline Dealers Association testified in support of this bill. Catrala-Hawaii opposed passage of this measure. The Chamber of Commerce of Hawaii and the Tax Foundation of Hawaii offered comments.

Your Committee finds that the surcharge should not apply to those who import motor vehicles for personal use. Therefore, the bill was amended to exempt from the surcharge any person who imports fewer than fifty tires within a one-year period.

The bill was further amended by:

- (1) Deleting the requirement that all retailers and wholesalers of new tires must maintain, for a minimum of three years, inventory records of new tires sold;
- (2) Allowing moneys from the surcharge to be used to cleanup improper tire disposal sites; and
- (3) Making technical, nonsubstantive amendments for purposes of consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2879, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2879, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1055-00 Energy and Environmental Protection on S.B. No. 2990**

The purpose of this bill is to encourage proper disposal of lead acid batteries by imposing, at the point of sale, a \$10 surcharge which shall be waived only by presenting for disposal an old battery for each new battery purchased. All surcharges would be deposited into the Environmental Management Special Fund.

The Sierra Club, Hawaii Chapter, testified in support of this bill. The Department of Health (DOH) and the University of Hawaii's Environmental Center supported the intent of this measure. The Hawaii Automotive Repair and Gas Dealers Association (HARGD) and the Legislative Information Services of Hawaii opposed passage of the bill.

Your Committee was concerned about difficulties in enforcing the provisions of this bill as well as in tracking the funds. Additionally, HARGD testified that there is a 94 percent compliance rate with the battery exchange requirement at the retail level. The real problem, therefore, lies not with the batteries currently being sold but rather with the batteries that have been previously discarded into the environment.

Accordingly, your Committee has amended this bill by deleting its substance and inserting provisions found in H.B. No. 2012, H.D. 1, which was reported out earlier by your Committee. These provisions establish a Used Battery Bounty Program (Program) to address the problem of disposing of the current supply of discarded batteries.

Your Committee has further amended this bill by:

- (1) Authorizing rather than requiring the DOH to establish the Program and deleting the requirement that DOH adopt rules;
- (2) Allowing not more than \$250,000 to be spent from the Environmental Response Revolving Fund to pay used battery collectors;
- (3) Requiring battery importers or manufacturers to accept, at no additional cost, used batteries in the same number as those sold at any wholesale transaction, and requiring them to maintain appropriate records;
- (4) Repealing the provisions of this bill in two years; and
- (5) Making technical, nonsubstantive amendments for the purpose of consistency.

It is the intent of your Committee to authorize the DOH to operate the Program for a two-year period or until it has paid out \$250,000 to used battery collectors.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2990, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2990, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1056-00 Energy and Environmental Protection and Consumer Protection and Commerce on S.B. No. 2166**

The purpose of this bill is to assist electricity producing wind farms by:

- (1) Allowing these farms to benefit from the State's Enterprise Zones Program; and
- (2) Exempting from the payment of general excise taxes the sale of electric power to a public utility for resale to the public.

Apollo Energy Corporation, the Hawaii Renewable Energy Alliance, Life of the Land, and an individual testified in support of this bill. The Department of Business, Economic Development, and Tourism, Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company, and the University of Hawaii's Environmental Center supported the intent of this measure. The Department of Taxation opposed passage of this bill, and the Tax Foundation of Hawaii offered comments.

Your Committees recognize that due to the narrow title of the bill, the new provisions of section 209E-11, Hawaii Revised Statutes, should not be misinterpreted to apply to other forms of electric power. Accordingly, your Committees have amended this bill to specify that it is the sale of electric power produced from wind energy that is exempt from the payment of general excise taxes. The bill was further amended to correct certain typographic errors.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2166, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2166, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Chang, Herkes, Hiraki, Schatz, Yoshinaga, Halford and Whalen.

**SCRep. 1057-00 Judiciary and Hawaiian Affairs on S.B. No. 2918**

The purpose of this bill is to:

1. Increase nonresident hunting license fees and to require applicant for a license to disclose if they are prohibited from using firearms for hunting;
2. Allow the Department of Land and Natural Resources to make rules to carry out the purpose of Chapter 183D; and
3. Require the Department to deny a hunting license if the applicant has not complied with a child support order or a subpoena or warrant relating to paternity or child support proceedings.

The Department of Land and Natural Resources testified in support of this measure. Concerned individuals testified in opposition to this measure. Earthjustice Legal Defense Fund provided comments.

Your Committee finds that this measure will bring Hawaii's nonresident license fees in conformity with other states' fees.

Your Committee amended this bill by:

1. Deleting references to rule making;
2. Deleting references to repealing parts of this act; and
3. Requiring that the entire act take effect on July 1, 2000.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2918, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2918, S.D. 2, H.D. 1.

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

**SCRep. 1058-00 Judiciary and Hawaiian Affairs on S.B. No. 2843**

The purpose of this bill is to clarify the Department of Hawaiian Home Lands' authority to lease out improvements situated on Hawaiian home lands, and to provide flexibility in the manner in which the Department may dispose of Hawaiian home lands to a native Hawaiian or to an organization or association controlled by native Hawaiians.

Testimony in support of this bill was provided by the Department of Hawaiian Home Lands and the State Council of Hawaiian Homestead Associations. Testimony in opposition to this bill was provided by a concerned individual.

Your Committee finds that express authority to enter into leases for improvements on Hawaiian home lands may enhance the Department's opportunities to lease office buildings, hangars, warehouses and other facilities on properties transferred to the Department as federal excess properties at Kalaeloa (Barbers Point Naval Air Station).

Your Committee further finds it beneficial to native Hawaiian bidders to permit the Department to employ methods other than a closed, sealed bidding process to negotiate disposition of lands to native Hawaiians or an organization or association controlled by native Hawaiians, prior to negotiations with the general public.

Your Committee has amended this provision by rephrasing "in accordance with chapter 171" to read "in accordance with the procedures set forth in chapter 171" to avoid conflict with the exclusion of Hawaiian home lands in the definition of "public lands" in section 171-2, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2843, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2843, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1059-00 Judiciary and Hawaiian Affairs and Human Services and Housing on S.B. No. 2484**

The purpose of this bill as received is to clarify the functions of the Medicaid Fraud Unit of the State Attorney General's Office (Unit) to allow the enforcement of Medicaid fraud and other federal health programs, and to allow the Unit to conduct an elder abuse neglect and prevention program.

Testimony in support of this measure was received from the State Attorney General.

Your Committees find that the stated purposes of the bill exceed the scope of the title of the bill. Therefore, your Committees have amended this measure by deleting all proposed provisions other than those relating to Medicaid recovery.

As affirmed by the records of votes of the members of your Committees on Judiciary and Hawaiian Affairs and Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2484, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2484, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Chang, Kawakami and Yoshinaga.

**SCRep. 1060-00 Judiciary and Hawaiian Affairs and Public Safety and Military Affairs on S.B. No. 2432**

The purpose of this bill is to appropriate an unspecified dollar amount to the Department of Public Safety for the correction population management commission to develop, implement, and maintain a sentencing simulation model.

The Judiciary, the Department of the Attorney General, the Department of Public Safety, the Hawaii Paroling Authority, the Department of the Prosecuting Attorney for the City and County of Honolulu, the Honolulu Police Department, the Office of the Public Defender, and the American Civil Liberties Union of Hawaii testified in support of the measure.

Your Committees find that this measure will assist identification of prison population; help forecast, plan, develop future law and policy; and help determine allocation of resources for the prison.

Your Committees amended this bill by:

1. Making technical and nonsubstantive changes for the purpose of style and clarity; and
2. Inserting the dollar amount of \$71,018 for the appropriation sum.

As affirmed by the records of votes of the members of your Committees on Judiciary and Hawaiian Affairs and Public Safety and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2432, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2432, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Chang, Hiraki and Yoshinaga.

**SCRep. 1061-00 Economic Development and Business Concerns on S.B. No. 2131**

The purpose of this bill is to provide a general excise tax credit to Hawaii's subcontractors to help them rejuvenate their businesses. In addition, this act clarifies that the definition of contractors in chapter 444, Hawaii Revised Statutes, includes all contractors working in the State directly or indirectly for the federal government to the extent allowed under federal law.

The Hawaii Electricians Market Enhancement Program Fund, the Construction Industry Legislative Organization, Inc., the Hawaii Construction Industry Association, the Plumbers and Fitters Local 675 United Association, the General Contractors Association of Hawaii, the Hawaii Building and Construction Trades Council, AFL-CIO, and the Masons Union testified in support of this bill. The Department of Taxation, Subcontractors' Association of Hawaii, and the Tax Foundation of Hawaii commented on this bill.

Your Committee finds that a tax exemption for federal construction contracts better serves the needs of Hawaii's subcontractors than does a tax credit.

Your Committee has amended this bill by removing the tax credit provision and replacing it with tax exemption found in S.B. No. 2131, as introduced. In addition, nonsubstantive technical changes were made for style and clarity.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2131, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2131, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay, Ito and Halford.

**SCRep. 1062-00 Human Services and Housing and Judiciary and Hawaiian Affairs on S.B. No. 2494**

The purposes of this bill is to:

- (1) Allow the State Committee of Blind Vendors (Committee) to hire private attorneys under certain circumstances;
- (2) Establish an account into which is to be deposited \$30,000 upon legislative appropriation each fiscal year from the Randolph-Sheppard revolving account, from which the Committee may expend moneys for the purposes of the revolving account; and
- (3) Make an appropriation in an amount to be specified to facilitate further discussion on the funding necessary to carry out the purposes of this bill.

Concerned individuals submitted testimony in support of this bill. The Department of the Attorney General submitted testimony in opposition to this bill.

The bill will assist the blind and visually handicapped in becoming more self-sufficient and independent.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2494, S.D. 2 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Cachola, Kawakami and Yoshinaga.

**SCRep. 1063-00 Consumer Protection and Commerce on S.B. No. 2416**

The purpose of this measure is to allow public access organizations greater autonomy in appointing the members of their governing boards. In exchange for greater autonomy, these organizations must comply with the state Sunshine laws and Uniform Information Practices Act, chapters 92 and 92F, respectively, Hawaii Revised Statutes.

Testimony in support of this measure was submitted by Common Cause Hawaii, Hawaii State Chapter National Rainbow Coalition, Inc., and two concerned citizens.

Testimony in support of this measure, with proposed amendments, was submitted by Hawaii Public Access Media and a concerned citizen.

Testimony commenting on this measure was submitted by the Cable Television Division of the Department of Commerce and Consumer Affairs.



Testimony in opposition to this measure was submitted by Hoike: Kauai Community Television, Inc.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to ensure further discussion on this bill.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2416, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2416, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Chang, Garcia, Hiraki, Yoshinaga and Halford.

**SCRep. 1064-00 Consumer Protection and Commerce on S.B. No. 2945**

The purpose of this measure is to:

- (1) Impose the use tax on contracting imported for resale or use in Hawaii;
- (2) Provide pyramiding relief from the general excise tax for the sale of amusements;
- (3) Provide a lower public service company (PSC) tax rate on telecommunications services and transportation services that are resold;
- (4) Make technical amendments to statutory provisions enacted under Acts 70 and 71, Session Laws of Hawaii 1999;
- (5) Clarify that the use of financial services imported or purchased by a financial institution is exempted from the use tax until June 30, 2004; and
- (6) Require the Auditor to:
  - (a) Conduct a study on whether debit card, credit card, merchant card draft, and trust administration services can be or are being performed in the State; and
  - (b) Submit a report of the findings and recommendations to the Legislature prior to the repeal of the provision relating to the use tax exemption for the use of financial services imported or purchased by a financial institution on June 30, 2004.

Testimony in support of this measure was submitted by AT&T.

Testimony in support of this measure, with proposed amendments, was submitted by the Department of Taxation, Hawaii Bankers Association, GTE Hawaiian Telephone, and a private attorney that represented several freight forwarders.

Testimony commenting on this measure was submitted by the Tax Foundation of Hawaii.

Upon consideration of this measure, your Committee has amended this bill by replacing its contents with the substantive provisions of H.B. No. 2604, H.D. 2, a similar bill that was reported from your Committee on Finance earlier in this session. The proposed PSC tax relief schedules for telecommunications services and motor carriers, as stated in the testimony of the Department of Taxation, have also been incorporated into this measure.

Specifically, your Committee has amended S.B. No. 2945, S.D. 1, H.D. 1, by deleting the following:

- (1) Provision pertaining to a use tax exclusion for financial services imported by a financial institution for use in Hawaii; and
- (2) Section requiring a study by the Legislative Auditor.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2945, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 2945, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Garcia, Hiraki, Yoshinaga and Halford.

**SCRep. 1065-00 Consumer Protection and Commerce on S.B. No. 873**

The purpose of this measure is to require the use of the Uniform Standards of Professional Appraisal Practice (USPAP) to determine real property fair market value for condemnation and lease renegotiation purposes. This measure also allows for the reopening of lease renegotiations that were concluded within the last five years for reconsideration under USPAP standards.

Testimony in support of this measure was submitted by Snyder Frandzen Family Trust, STI Industries, and two concerned citizens.

Testimony in support of this measure, with proposed amendments, was submitted by the Hawaii Public Interest Advocate, Ewert & Company, LLC, and two concerned citizens.

Testimony in opposition to this measure was submitted by the Land Use Research Foundation of Hawaii, Castle & Cooke Properties, Inc., Gentry Companies, Estate of James Campbell, Mark A. Robinson Trusts, Kaneohe Ranch Company, Ltd., Loyalty Development Company, Ltd., Small Landowners of Oahu, and the Small Landowners Association.

Your Committee has made the following amendments to this measure to:

- (1) Provide that the lease rent that is based on fair market value as determined by a real property appraisal and is less than the rental amount currently being paid, shall prevail over the existing lease contract provision which bars the lowering of lease rents upon renegotiations;
- (2) Provide that any reduction in rent in the lease between the fee simple owner of the land and the sublessor, shall cause a corresponding reduction in the sublease between the sublessor and the sublessee;
- (3) Provide for a State income tax and general excise tax credit for the fee simple owner to the extent of the reduction in the lease rent;
- (4) Provide a definition of the term "lease", "lease agreement", and "document";
- (5) Delete the provision pertaining to the determination of the fair market value in conformance with USPAP standards; and
- (6) Revise the effective date to July 1, 2050, to ensure further discussion on this bill.

Your Committee is mindful of the fact that concerns have been expressed as to the constitutionality of this measure. Accordingly, a request has been made to the Attorney General to provide a formal opinion to address the issue of whether this bill violates either the Hawaii Constitution or United States Constitution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 873, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 873, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1066-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 3176**

The purpose of this bill is to extend the right to insurance benefits to reciprocal beneficiaries.

Testimony in support of this measure was received from the State Civil Rights Commission, Commission on the Status of Women, American Civil Liberties Union of Hawai'i, Lambda Aloha, Kona Village Realty, Inc., and a few individuals. Testimony in opposition to this measure was received from Hawaiian Electric Company, Inc. Testimony was also received from the State Department of Budget and Finance Senate Hawaii Public Employees Health Fund.

Your Committees find that the provisions of this bill recognize the importance of insurance coverage for all individuals in the State, regardless of their status, and provides reciprocal beneficiaries with equal access to health care and other benefits.

Your Committees acknowledge the concern of some committee members that the definition of "reciprocal beneficiaries" is overly broad and will lead to abuse of the law and therefore, unintended consequences. However, this issue was raised in 1997, at the time the law relating to reciprocal beneficiaries was originally enacted, and this concern has not been proven valid. Your Committees also acknowledge that the provisions of this bill may conflict with provisions of the Employee Retirement Income Security Act (ERISA), therefore your Committees intend that there be further discussion on that issue.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3176, S.D. 2 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki, Yoshinaga, Pendleton.  
(Representatives Chang, Herkes, Rath and Whalen voted no).

**SCRep. 1067-00 Judiciary and Hawaiian Affairs on S.B. No. 539**

The purpose of this bill as received is to propose an amendment to the State Constitution to provide the University of Hawaii with autonomy in all matters related to the University.

Testimony in support of this measure was received from the University of Hawai'i, the University of Hawai'i Alumni Association, University of Hawaii Professional Assembly, St. Francis Medical Center-West, United Public Workers, AFSCME, Local 646, AFL-CIO, and The Chamber of Commerce of Hawaii. Testimony in opposition to the bill was received from the State Attorney General, Department of Budget and Finance, and the Office of Hawaiian Affairs.

Your Committee first wishes to acknowledge the need for the University to control its own internal affairs. However, your Committee must emphasize that the delegation of such control through a constitutional amendment requires close scrutiny. While this measure is well-intentioned, the Legislature must recognize its full impact and future ramifications.

Your Committee believes that as currently phrased, the proposed constitutional amendment is susceptible to misinterpretation because its essential terms, i.e., "internal" and "statewide concern", are vague, ambiguous, and overbroad. This has already been evidenced by the testimony presented at the hearing on this measure. For example, the University of Hawaii Professional Assembly ("UHPA") stated that the amendment is necessary because the University "is unable to make crucial decisions with respect to those employed to work in the university system nor can the Regents negotiate collective bargaining agreements covering the various employment groups within the university system." UHPA presented such testimony notwithstanding House Standing Committee Report No. 877-00 (noting that certain state employment laws are of statewide concern) and the holdings in City & County v. Ariyoshi, 67 Haw. 412 (1984) and Hawaii Government Employees' Association v. County of Maui, 59 Haw. 65 (1978)(holding that civil service and compensation matters are within the purview of the legislature).

The hearing on this measure elicited other potential issues that may be susceptible to future disagreement and litigation: fiscal matters (including but not limited to budget restrictions), ethical standards, and the disposition of ceded lands.

Your Committee believes that if this measure is to be finally approved by the Legislature, the operative terms of the constitutional amendment must first be made clear and unambiguous.

Accordingly, your Committee has amended this measure to ensure future deliberation by adding language:

- (1) Clarifying that the University is to be autonomous only in matters exclusively relating to the internal structure, management, and operation of the University;
- (2) Leaving exclusive jurisdiction of identification of laws of statewide concern with the Legislature; and
- (3) Amending the effective date.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 539, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 539, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Hamakawa, Garcia, Hiraki, Kaho'ohalahala, Yoshinaga and Pendleton.

**SCRep. 1068-00 Judiciary and Hawaiian Affairs on S.B. No. 2427**

The purpose of this bill is to make an appropriation for crime victim compensation.

The Crime Victim Compensation Commission and the Department of the Prosecuting Attorney for the City and County of Honolulu testified in support of the measure.

Your Committee finds notwithstanding the Commission's past assurances of self sufficiency, the Commission has failed to accomplish this goal. Your Committee further finds that Commission has not obviated the need for appropriations in order to maintain operations.

Your Committee amended this bill by:

1. Inserting into Section 351-62.5(d) a ten percent ceiling on expenditures from the special fund to cover operating expenditure; and
2. Leaving the effective date of this bill unspecified.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2427, S.D. 1, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as S.B. No. 2427, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hamakawa, Garcia, Hiraki, Kaho'ohalahala, Yoshinaga and Pendleton.

**SCRep. 1069-00 Judiciary and Hawaiian Affairs and Public Safety and Military Affairs on S.B. No. 2935**

The purpose of this bill is to require drug treatment for persons convicted of Promoting a Dangerous Drug in the First, the Second, and the Third Degrees.

The Honolulu Police Department, the Office of the Public Defender, and the Community Alliance on Prisons testified in support of the measure. The Department of the Prosecuting Attorney for the City and County of Honolulu testified in support of the intent of the measure. The Hawaii Psychiatric Medical Association testified in support of the measure with amendments. The Department of Public Safety, and the American Civil Liberties Union of Hawaii provided comments.

Your Committees find that many offenders of class B and class C felony drug offenses could well benefit from drug treatment while on probation. Such individuals are presently precluded from this form of sentencing by current laws.

Your Committees amended this bill by:

1. Inserting provisions that repeal the mandatory minimum terms of imprisonment for class B and class C drug offenses involving the possession or distribution of methamphetamines; and
2. Deleting the provisions regarding mandatory treatment for incarcerated methamphetamine offender and inserting provisions requiring drug treatment for offenders placed on probation; such treatment to be paid by the offender.

As affirmed by the records of votes of the members of your Committees on Judiciary and Hawaiian Affairs and Public Safety and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2935, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2935, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Chang, Hiraki and Yoshinaga.

**SCRep. 1070-00 Consumer Protection and Commerce on S.B. No. 2287**

The purpose of this bill is to establish a mechanism to support and finance systematic conversion of existing overhead utility lines to underground lines. The bill as received, requires the Public Utilities Commission (PUC) to establish a conversion program and administer a newly created Underground Conversion Special Fund (Conversion Fund). Moneys in the Conversion Fund are to be allocated to the counties based on criteria to be established by PUC, and are to be used to finance the conversion of utility lines in undergrounding zones designated by the counties by ordinance.

Moneys in the Conversion Fund are to be derived from:

- (1) Legislative appropriations;
- (2) Voluntary contributions, including:
  - (A) Contributions collected by the Department of Taxation along with taxes; and
  - (B) Amounts paid in excess of utility bills and collected by way of a "round-up program";
- (3) Amounts that PUC may order to be paid by regulated utilities that utilize transmission lines, of up to two percent of the annual gross revenues of the utility; and
- (4) An unspecified percentage of moneys in excess of an unspecified amount remaining in the PUC Special Fund prior to lapsing of excess funds into the General Fund under section 269-33(d), Hawaii Revised Statutes, at the end of the fiscal year.

Testimony in support of this measure was submitted by Malama o Manoa, Na Leo Pohai, and a private individual. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, PUC, and Environmental Center of the University of Hawaii at Manoa supported the intent of the bill. Comments were provided by the Life of the Land and the Tax Foundation of Hawaii. Testimony in opposition was received from the Department of Taxation, GTE Hawaiian Tel, Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, and Kauai Electric.

Your Committee heard a number of concerns expressed by various testifiers relating to the costs of implementing an undergrounding program. Several testifiers stated opposition to paying these costs through increased utility rates. PUC raised

among other concerns, the question of whether it was the appropriate agency to implement the provisions of this bill. Other testifiers questioned whether the funding mechanisms under this bill inappropriately utilized the regulatory mechanism for collecting tax.

Your Committee has amended this measure considerably to establish a new approach and alternative mechanism to facilitate and fund undergrounding. The bill attempts to address apparent conflicts between PUC's statutory mandate and functions and the goals and benefits of undergrounding, by giving the counties and communities the ability to take the lead in establishing an undergrounding project. Projects could apply either to existing or new utility lines and related facilities.

To resolve the problem of equitably distributing the costs of undergrounding, the measure provides for cost sharing by those benefiting the most from undergrounding--the affected community, county, and utilities.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2287, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.B. No. 2287, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Herkes, Takumi, Yoshinaga and Halford.

#### **SCRep. 1071-00 Consumer Protection and Commerce on S.B. No. 2655**

The purpose of this bill is to strengthen the Patient's Bill of Rights Law (PBR) found in chapter 432E, Hawaii Revised Statutes, which provides protection to consumers receiving health care under managed care plans. The bill is the product of the Hawaii Patient Rights and Responsibilities Task Force (Task Force), established by the Legislature in 1998, and composed of representatives of health care plans, consumer groups, health care providers, employers, and governmental agencies.

Part I of the bill attempts to address the problem of delayed provision of health care or denials of health coverage, by amending provisions of the PBR that give health plan enrollees the right to an internal health plan review and to an external, administrative review of a health plan's denial of coverage.

Part II of the bill responds to a 1999 legislative request in Senate Concurrent Resolution No. 152, S.D. 1, that the Task Force attempt to define the term "medical necessity."

This bill:

- (1) Provides a specific definition for the term "medical necessity," which term generally refers to those services that must be covered by the plan because they fall within a general category of services covered under the plan, and are also "medically necessary;"
- (2) Requires that the new definition of medical necessity be used during the internal and external review of a health plan's denial of coverage;
- (3) Clarifies that notice of a final internal review determination must be given to an enrollee within 45 days of the enrollee's complaint, and that the notice must contain information about the enrollee's right to appeal the determination through an external review;
- (4) Extends from 30 days to 60 days, the time period within which an external review must be requested once a final internal review determination is made;
- (5) Gives the Insurance Commissioner powers and flexibility to facilitate external reviews, including:
  - (A) The authority to retain an independent medical expert in the area under review, as well as the services of an independent review organization; and
  - (B) The ability to withhold attorney's fees and costs where enrollee appeals are determined to be unreasonable, fraudulent, excessive, or frivolous;
- (6) Provides that the internal or external review may be conducted as an expedited appeal, to be completed within 72 hours of request, in cases where the standard review period would result in serious physical harm or subject the consumer to severe pain;
- (7) Details information that must be provided by the health plan for external reviews, specifies the deadline for providing the information, and authorizes sanctions for noncompliance;
- (8) Disqualifies those with conflicts of interest from serving on the external review panel or in the independent review organization; and
- (9) Restricts disclosure of health care information in external reviews to disclosure for purposes relating to the external review.

The bill also increases the Task Force membership from 20 to 25.

Your Committee received testimony in support of this bill from the Task Force, Department of Health, Queen's Health Management, Hawaii Medical Service Association, Hawaii Coalition for Health, AARP, Hawaii Government Employees Association, Healthcare Association of Hawaii, the Kokua Council, Hawaii Nurses' Association (HNA), and an individual member of the Task Force.

Hawaii Psychological Association (HPA), American Academy of Pediatrics, Hawaii Chapter (AAP), Hawaii Medical Association (HMA), Community Advisory Council for the Center on Disabilities Studies, Hawaii Early Intervention Coordinating Council, and Hawaii Biodyne, Inc., stated concerns about the bill and requested amendments.

Your Committee finds that this bill represents a great deal of thought and effort by the Task Force in a new and complex area where the law, and the rapidly changing fields of health care, and health insurance, intersect. Your Committee thanks the Task Force for its successful efforts and its resolution of the varying interests of Task Force participants as memorialized in this measure. Your Committee recognizes that issues first raised in this session still remain, but there may be insufficient time to fully address and resolve them. In particular, your Committee notes that the subject of this bill is the PBR, thus issues should be resolved consistently with the intent of this law, in a manner that would facilitate the provision of appropriate health care to consumers consistent with existing coverage, rather than expand health plan coverage.

Therefore, your Committee requests that during the interim following the 2000 session, the Task Force, augmented by those interested in improving the PBR, address issues raised and left unresolved this session, with a focus on those stated by HPA, AAP, and HMA with regard to whether:

- (1) The use of "cost-effectiveness and other criteria;"
- (2) The hierarchy of information to be considered; and
- (3) The kinds of scientific evidence that may be considered,

in the determination of medical necessity unduly limits coverage as provided to particular populations of patients. Your Committee requests that the Task Force submit any proposed legislation to improve the PBR, to the 2001 Legislature.

Technical, nonsubstantive amendments, including those requested by HNA, have been made for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2655, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2655, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1072-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 2993**

The purposes of this measure are to:

- (1) Clarify the functions and duties of the Environmental Council, specifically to conduct investigations to secure information concerning ecology and environmental quality;
- (2) Require the Department of Health (DOH) to assess the effectiveness of its environmental hotlines and reporting its findings to the legislature;
- (3) Require the Office of Planning to evaluate alternative means to resolve conflicts between the existing and planned industrial activities regarding toxic emissions and spills, noise, smells, and other public health concerns within Campbell Industrial Park;
- (4) Require the hawaii state emergency response commission to study and determine the level of risk that facilities with above ground chemical storage tanks may pose to the public from toxic emissions and spills; and
- (5) Request for an appropriation out of the environmental response revolving fund to carry out this Act.

Your Committees support the protection of the public's health and welfare as it relates to environmental health matters.

Testimony was received in support of this measure from Ogden Energy Group, Inc., and Life of the Land. Hawaiian Electric Company, Inc., supports the overall intent of the measure although they have some concerns. The Office of Environmental Quality Control supports sections 2 and 9 of this bill. The Land Use Research Foundation of Hawaii and Gentry Homes opposed this measure, and specifically opposed the soil testing requirements. Comments were provided by the DOH and Tesoro Hawaii Corporation.

Following consideration and review of the testimony, your Committees have amended this measure by:

- (1) Deleting section 1, to eliminate soil testing;
- (2) Deleting section 4, requiring the DOH to conduct a review identifying communities with poorer quality water supply than the average for the State;
- (3) Rewriting the definition of "chemical facility" of section 7, subsection (a), to include "The Hawaii state emergency response commission shall assess the risk posed to the public and the environment by facilities with above ground chemical storage tanks throughout the state by reviewing the following:...";
- (4) Deleting from section 7, subsection (b), the sentence "The commission shall cease to exist on June 30, 2002."; and
- (5) Changing the effective date to July 1, 2050, to ensure further discussions.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2993, S.D. 2, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2993, S.D. 2, H.D. 2.

Signed by all members of the Committees except Representatives Chang, Hamakawa, Herkes, Hiraki, Takumi, Yoshinaga, Halford and Pendleton.

**SCRep. 1073-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 2486**

The purpose of this bill is to establish a system for imposing the tax on cigarettes through the use of stamps sold by the Department of Taxation (DOTAX) to wholesalers and dealers of cigarettes, who are to affix the stamps to cigarette packages prior to distribution. Among other things, the bill provides that:

- (1) Wholesalers and dealers must obtain a "stamping license" to purchase stamps;
- (2) Stamps are to be sold at their denominated values plus a state stamp fee of 1.7 percent to cover costs of providing the stamp and enforcing the law;
- (3) Wholesalers and dealers may make deferred-payment purchases of stamps;
- (4) Wholesalers and dealers must keep monthly reports of distributions of cigarettes and tobacco products, and purchases of stamps;
- (5) Tax refunds will be provided for cigarettes and tobacco products shipped outside the state for subsequent sale or use; and
- (6) The Attorney General (AG) is to enforce the criminal and civil penalties and forfeitures provided by the bill, and may engage the county Prosecuting Attorney's assistance.

The bill also appropriates funds for start-up and enforcement costs, requires DOTAX to submit a report to the Legislature prior to the 2006 Legislature, and sunsets on June 30, 2006.

The Department of Health (DOH) testified in support of this measure. DOH stated that the measure would complement Hawaii's comprehensive tobacco prevention and control efforts by providing greater assurance that cigarettes are taxed, helping to keep product price at market levels, and making cigarettes less affordable to the price-sensitive youth market. DOH noted that the percentage of minors smoking (29.2 percent), currently exceeds that of adults (19.4 percent), and that 80 percent of all smokers began their habit before 18 years-of-age.

Your Committees have amended this measure as recommended by the AG, which amendments generally strengthen the enforcement provisions of this bill. As amended, this bill differs from S.B. No. 2486, S.D. 1, in that it:

- (1) Removes the "stamping license" requirement;
- (2) Makes clear that the AG has authority to review tobacco tax returns and reports filed under chapter 245, Hawaii Revised Statutes;
- (3) Provides that both DOTAX and the AG must consent to the destruction of tax records within a five-year period, and may require that records be kept for a longer period;
- (4) Amends criminal and forfeiture laws to provide for criminal penalties in addition to fines for those who break cigarette packages and sell cigarettes loosely, and to allow forfeiture;

- (5) Clarifies that the AG receives 100 percent of any fines of an investigation and prosecution conducted by the AG; and
- (6) Allows for more comprehensive regulatory control over tobacco products in the State by adding a new part providing for regulation of the sale, possession, and handling of export and foreign cigarettes.

Your Committees have also made nonsubstantive, technical amendments for purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2486, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2486, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Chang, Hamakawa, Herkes, Hiraki, Takumi, Yoshinaga, Halford and Pendleton.

#### **SCRep. 1074-00 Energy and Environmental Protection and Ocean Recreation and Marine Resources on S.B. No. 2611**

The purpose of this bill is to help protect Hawaii's threatened and endangered species by bringing the State's Habitat Conservation Plans (HCPs) and Safe Harbor Agreements (SHAs) law in closer conformity to federal regulations.

Specifically, this bill allows the Board of Land and Natural Resources to suspend or revoke any HCP or SHA if continuation of the permitted activity would appreciably reduce the likelihood of the survival or recovery of any threatened or endangered species.

This bill also eliminates the requirement for the State or federal government to carry out mitigation measures on behalf of the landowner in the event that, following the approval of an HCP or SHA, new circumstances or information indicates a failure to modify the HCP or SHA is likely to be detrimental to threatened or endangered species.

The Earthjustice Legal Defense Fund, the Sierra Club, Hawaii Chapter, and the Hawaii Audubon Society testified in support of this bill. The Department of Land and Natural Resources and the Land Use Research Foundation of Hawaii opposed this measure, and the University of Hawaii's Environmental Center offered comments.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Ocean Recreation and Marine Resources that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2611 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Cachola, Kanohe and Auwae.

#### **SCRep. 1075-00 Energy and Environmental Protection on S.B. No. 2971**

The purpose of this bill is to require environmental impact statements (EIS) to include the effects a proposed action may have on the "welfare" and "cultural practices" of the community and State.

For purposes of the public hearing, your Committee circulated a proposed draft that deletes the provisions of the bill and inserts new language requiring agencies to gain the concurrence of the Office of Environmental Quality Control (OEQC) before:

- (1) Making a determination on whether a project requires an EIS; or
- (2) Accepting an EIS if an EIS is required.

The OEQC, the Sierra Club, Hawaii Chapter, and Hawaii's Thousand Friends testified in support of this bill. The University of Hawaii's Environmental Center supported the intent of this measure. The Estate of James Campbell, the Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company, the Land Use Research Foundation of Hawaii, and the City and County Department of Planning and Permitting opposed passage of this measure.

Your Committee finds that even with its existing staff, OEQC is already performing these consultative services for agencies and reviews all environmental documents and determinations regardless of whether it is consulted.

During its review, OEQC has found most documents to be complete and proper. However, at least ten percent do not meet the necessary requirements. Deficiencies have included: improper analysis of significant criteria, noncompliance with content requirements, missing comment letters, and inadvertent mistakes.

Your Committee further finds that the proposed bill will address the awkward situation when a proposing agency and the determining agency is the same body, thereby giving the appearance that concurrence of a finding of no significant impact is merely a formality. Providing for concurrence by OEQC prior to these determinations would help to eliminate any perception of conflicts of interest.

Your Committee has amended this bill by:



- (1) Inserting a definition of "concurrence" to mean the consent given by OEQC that the following criteria have been satisfied:
  - (a) The procedures for the review of the environmental assessment (EA) or EIS have been followed properly;
  - (b) The content requirements of the EA or EIS have been met;
  - (c) The comments submitted during the review process have been responded to satisfactorily and incorporated in the EA or EIS; and
  - (d) OEQC agrees with the agency's determination;
- (2) Specifying that if OEQC does not concur with the agency, the agency shall:
  - (a) Take corrective action; or
  - (b) Request that the Governor make a final determination;
- (3) Amending the purpose section; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity.

Your Committee finds that the 15-day time period is reasonable and represents a wise investment, especially when considering the long and costly delays that might result if legal challenges are made to a deficient document or determination.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2971, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2971, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1076-00 Public Safety and Military Affairs and Labor and Public Employment on S.B. No. 2433**

The purpose of this bill is to authorize the Director of Public Safety, with the approval of the Governor, to enter into contracts with private entities to manage in-state correctional facilities constructed after the effective date of this bill.

Your Committees received testimony in support of this bill from the Department of Public Safety and the Hawaii Island Alliance for the Future. Your Committees received testimony in support of the intent of this measure from the Chamber of Commerce of Hawaii and the Hawaii Island Economic Development Board. The American Civil Liberties Union provided testimony with serious concerns about this measure. The United Public Workers, the Hawaii Government Employees Association, the Community Alliance on Prisons, and E Ho'opakele (Project Rescue) submitted testimony in opposition to this measure.

Your Committees have amended this bill by deleting its contents and incorporating language from H.B. 2739, H.D. 2, and H.B. 2741, H.D. 1. As amended, key parts of this bill provide for language:

- (1) Authorizing the Governor to negotiate for the development of a private correctional facility;
- (2) Specifying that this facility be capable of housing both minimum and medium security inmates;
- (3) Identifying the location for this facility;
- (4) Specifying that the facility accommodate a minimum of 1,700 live-in inmates;
- (5) Requiring that an unspecified portion of the facility's annual budget be earmarked for rehabilitation and treatment programs;
- (6) Requiring that the funds for program personnel shall not be overly disproportionate to the funds for programmatic services;
- (7) Appropriating the sum of \$1 for the preparation of an environmental impact statement for the development of the private correctional facility;
- (8) Specifying that the facility be operated as an intensive treatment facility for those inmates in need of substance abuse treatment. According to each offender's needs, the facility shall also provide a wide array of culturally- and gender-appropriate programs, mental health services, group counseling, anger management programs, transitional programs, cognitive restructuring, remedial education and vocational training;

- (9) Establishing a citizens oversight committee involved in the siting, design, and monitoring of the facility;
- (10) Forbidding inmates from out-of-state facilities to be transferred to the private facility;
- (11) Allowing for various forms of oversight and inspection by the auditor, the state procurement officer, the ombudsman, and the media;
- (12) Limiting the input of the private operator concerning which offenders are housed in the facility and when the inmates are to leave the facility;
- (13) Describing the division of authority between the operator and the state concerning security, escapes, and emergencies;
- (14) Requiring the facility to comply with all national, state, and local regulations, laws, and accreditation standards;
- (15) Exempting the private correctional facility from chapters 42D, 42F, and 103F, Hawaii Revised Statutes; and
- (16) Providing for financial rewards to the private operator for preparing inmates for successful reintegration to free society and for financial penalties against the private operator for those inmates that are not successful;
- (17) Granting a ten per cent preference to providers of services and rehabilitative programs that take into account the cultural needs of the prison population; and
- (18) Restricting the transfer of federal inmates to the private facility to those transfers approved by the director.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2433, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2433, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Hiraki, Okamura and Rath.

**SCRep. 1077-00 Economic Development and Business Concerns and Higher Education on S.B. No. 2420**

The purpose of this bill is to establish the New Economy Technology Scholarship Program (Program) to:

- (1) Create a sustained pool of highly-trained technology workers in the shortest time possible; and
- (2) Encourage Hawaii students to pursue higher education and training in science and technology fields.

This bill also appropriates funds to establish and implement the Program.

The Department of Accounting and General Services, the High Technology Development Corporation (HTDC), the Hawaii Educational Networking Consortium, and the Hawaii Technology Trade Association testified in support of this measure. An individual also testified in support of the bill with revisions. The Governor's Special Advisor on Technology Development testified in support of the intent of the measure.

Your Committees have amended this bill by deleting its contents and inserting new provisions to:

- (1) Allow HTDC to issue special purpose revenue bonds and special facility revenue bonds for the development of high technology projects;
- (2) Provide tax credits to encourage research and development for intellectual properties;
- (3) Allow the Board of Trustees of the Employees' Retirement System (ERS) to invest ten percent of ERS funds in qualified technology businesses;
- (4) Appropriate funds for educational programs under the Department of Education, the Pacific Center for Advanced Technology Training, and the University of Hawaii;
- (5) Exempt the members of the Governor's Special Advisory Council for Technology Development from the Senate confirmation process and from the need to file a disclosure of financial interests with the State Ethics Commission;
- (6) Develop partnerships between the Hawaii Tourism Authority and Hawaii's business community to promote the State as a place to do high technology business;
- (7) Give increased autonomy and authority to the High Technology Development Corporation (HTDC) over its fiscal and personnel matters;

- (8) Establish the Hawaii Venture Capital Technology Revolving Fund;
- (9) Require HTDC to establish programs for seed capital assistance, venture capital assistance, and capital access;
- (10) Put the Chief Executive Officer of HTDC, the Executive Director of the Natural Energy Laboratory of Hawaii Authority, and the President of the Hawaii Strategic Development Corporation on each others' boards; and
- (11) Make technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2420, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2420, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Abinsay, Arakaki, Herkes, Okamura, Stegmaier and McDermott.

**SCRep. 1078-00 Labor and Public Employment and Consumer Protection and Commerce on S.B. No. 2245**

The purpose of this bill is to create the Medical Fee Schedule Advisory Council (Council) to assist the Director of Labor and Industrial Relations (Director) in adjusting the workers' compensation medical fee schedule. It also requires the Director, with the assistance of the Council, to update the medical fee schedule on an annual or more frequent basis depending on circumstances.

Radiology Associates, the Small Business Economic Revival Force, the Hawaii Employers' Mutual Insurance Company and a concerned individual testified in support of this measure. The Anesthesia Medical Group, C.H.A.R.T., a state senator from Washington, the Hawaii State Chiropractic Association, Sestak Rehabilitation Services, the Hawaii Orthopedic Association and a number of concerned individuals testified in support of the intent of this measure and suggested amendments. Pacific Physical Therapy, Hawaii Society of PM and R, the Hawaii Medical Association, the Department of Labor and Industrial Relations (DLIR), ILWU Local 142, H.A.P.T.A., and a number of concerned individuals provided testimony commenting on this measure and suggested amendments. A concerned individual testified in opposition to this measure.

Your Committees note that DLIR testified that an increase to 125 to 130 percent for workers compensation reimbursement may be warranted, based on information from a 1998 Legislative Reference Bureau study. However, the predicted costs of such an increase are high enough to cause DLIR to advise an increase to only 120 percent at this time.

Your Committees have therefore amended this bill by leaving the percentage figure for workers compensation reimbursement blank in order to further discussion on this issue.

Upon further consideration, your Committees have further amended this measure by:

- (1) Reducing the number of voting members of the Medical Fee Advisory Council (Council) from thirteen members to nine members;
- (2) Specifying that the Council will have four nonvoting members; and
- (3) Removing all other amendments proposed to Section 386-21, Hawaii Revised Statutes.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Consumer Protection and Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2245, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2245, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Chang, Herkes, Hiraki, Kaho'ohalahala, Okamura, Saiki, Takai, Takumi, Halford and Thielen.

**SCRep. 1079-00 Labor and Public Employment and Economic Development and Business Concerns on S.B. No. 2605**

The purpose of this bill is to provide an option for owner-employees who own at least 50 percent of an employing unit to opt out of the state unemployment insurance program with respect to both associated taxes and benefits.

The Chamber of Commerce of Hawaii and N.F.I.B. Hawaii testified in support of this measure. The Department of Labor and Industrial Relations and ILWU LOCAL 142 testified in opposition to this measure.

In evaluating this measure, your Committees were concerned about the predicted number of exemptions which would be filed under this section and the resulting impact on the Unemployment Insurance fund reserve levels as well as the need for safeguards to protect against abuse of the exemption. Your Committees weighed these concerns together with an appreciation of the plight of the owner-employees of many small businesses who survive on a small profit margin and would benefit from the tax relief this

measure could offer them. Your Committees wish to continue discussion of this issue and therefore after careful consideration have amended this measure by:

- (1) Raising the threshold interest of the owner-employee to more than 50 percent; and
- (2) Otherwise subjecting the owner-employee to requirements similar to those of shareholders in a family-owned private corporation under section 383-7(20), Hawaii Revised Statutes.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Economic Development and Business Concerns that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2605, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2605, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Abinsay, Espero, Hiraki, Okamura, Saiki, Suzuki, Halford and Whalen.

**SCRep. 1080-00 Labor and Public Employment and Economic Development and Business Concerns on S.B. No. 2893**

The purpose of this bill is to:

- (1) Require that any hotel or restaurant applying a service charge for the sale of food or beverage services distribute the service charge to its employees or else clearly disclose to the purchaser that the charge will not go to the employees;
- (2) Raise the minimum wage to \$5.50 per hour beginning January 1, 2001, and to \$5.75 per hour beginning January 1, 2002; and
- (3) Raise the tip credit to forty cents below the applicable minimum wage beginning January 1, 2001.

Thirty-two government agencies, companies, individuals, and interest groups submitted testimony on this bill. The testimony received was both in support and in opposition to this measure.

Your Committees find that there is a need to give business more time to prepare for the additional labor costs that this measure will create upon passage. As such, your Committees believe that the effective date of the minimum wage increase should be deferred to provide that additional time. Further, your Committees understand that the increase to the tip credit proposed by this measure will impact some, but not all businesses. Your Committees further find that the tip credit has not been increased in a number of years and that only a small number of workers would be affected by a change in the tip credit.

Your Committees received testimony indicating that an increase in the tip credit will assist businesses in offsetting the resulting additional labor costs. At the same time, your Committees are concerned that raising the minimum wage while also increasing the tip credit may result in a negligible gain for affected workers.

Due to the number and complexity of the factors involved, your Committees, therefore, reserve the right to discuss further an increase in the tip credit in relation to a minimum wage increase and the ramifications of both on Hawaii's businesses and workforce.

After careful consideration, your Committees have amended this bill by deleting its substance and inserting language reflected in a similar bill, H.B. No. 2984, H.D. 2, which increased the minimum wage to \$5.75 per hour beginning January 1, 2003, and increased the tip credit to 22 cents beginning January 1, 2003. H.B. No. 2984, H.D. 2, passed the House earlier this session after a public hearing before your Committees on Labor and Public Employment, Economic Development and Business Concerns, and Finance.

Your Committees made additional amendments to:

- (1) Facilitate discussion on the tip credit by leaving the amount blank; and
- (2) Make technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Economic Development and Business Concerns that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2893, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2893, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Chang, Goodenow, Herkes, Ito, Kaho'ohalahala, Okamura, Saiki and Whalen.

**SCRep. 1081-00 Labor and Public Employment and Economic Development and Business Concerns on S.B. No. 2905**

The purpose of this bill is to extend from December 31, 2000 to December 31, 2003, the period during which employers must make assessments to the Employment and Training Fund (Fund).

The Department of Labor and Industrial Relations, the Oceanic Institute, The Arc in Hawaii, Subcontractors Association of Hawaii, Hui Malama Learning Center, Maui Hotel Association, United Public Workers, Kiahuna Plantation Castle Resorts, Kauai Marriott Resort and Beach Club, Kauai Coconut Beach Resort, Kauai Builders, Ltd., Easter Seals Hawaii, Copiers Hawaii, Inc., Lemke Insurance Co., Princeville Corporation, Sheraton Kauai Resort, Universal Tour and Travel Service, Inc., People Attentive to Children, Waipahu Variety, Inc., DBA Kiso Store, St. Francis Medical Center-West, Communication Consulting Services, Inc., Employees of the Grand Wailea Resort, First American Long and Melone Title Company, Ltd., and several individuals supported this bill. The National Federation of Independent Business opposed this bill.

Your Committees find that it is in the best interests of business in Hawaii to extend assessments to the Fund through 2003. This Fund provides many companies with the ability to provide training to employees that they would otherwise be unable to afford.

Upon further consideration, your Committees have amended this bill by deleting its contents and inserting the substantive provisions of H.B. 2564, H.D. 1. As amended, this bill:

- (1) Specifies that the sunset date for the fund shall be December 31, 2003; and
- (2) Reduces the amount of assessments to the Fund to .034 percent and .016 percent of taxable wages for 2001 and 2002, respectively.

Additionally, your Committees have included a provision requiring the Auditor to perform an audit of the Fund to address concerns raised by conflicting testimony from the business community regarding the utility and equitableness of the assessment.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Economic Development and Business Concerns that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2905, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2905, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Goodenow, Okamura, Saiki,

**SCRep. 1082-00 Health on S.B. No. 2040**

The purpose of this bill is to appropriate state funds as matching federal funds to serve individuals with developmental disabilities, including individuals on the statewide wait list in fiscal year 2000 in the Title XIX Medicaid Home- and Community-based Services Waiver Program.

The State Planning Council on Developmental Disabilities, The ARC in Hawaii, and the Hawaii Disability Rights Center testified in support of this bill. The Department of the Attorney General testified in support of this bill and offered comments and suggestions. The Department of Human Services (DHS) supported the intent of the bill and suggested amendments. The Department of Health (DOH) supported the intent of this bill as long as it did not replace priorities in the executive supplemental budget. The Disability and Communication Access Board supported the intent of this bill.

Your Committee finds that the appropriation made by this bill represents an efficient use of state dollars by matching federal Title XIX Medicaid funds, and further finds that the bill will greatly assist individuals with developmental disabilities who require lifelong assistance to become independent and integrated members of our community.

Your Committee has amended this bill by:

- (1) Clarifying that the sum appropriated be transferred to DHS through an interdepartmental transfer from DOH to serve as the state match for federal Title XIX Medicaid funds; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2040, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2040, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kahikina.

**SCRep. 1083-00 Health on S.B. No. 2448**

The purpose of this bill is to establish the Hawaii Autism Center for Excellence (Center) within the University of Hawaii at Manoa, School of Medicine (School of Medicine).

Specifically, this bill establishes the Center as a central clinical and academic resource for autism and autism spectrum disorder diagnostic assessment and evaluation. Additionally, the Center will be a resource for therapeutic and educational interventions, consultation, training, and applied clinical research.

The Department of Education, School of Medicine, Autism Society of Hawaii, Hawaii Coalition for Health, the State Children's Council, and several individuals supported this bill. The Department of Health (DOH) supported this bill with suggested amendments.

Your Committee finds that autism is a developmental disability that typically appears in children before the age of three. Autism generally keeps afflicted children from achieving independence as adults and requires them to be cared for throughout their lifetime. Your Committee finds that the Center will serve as a much-needed support facility and research site for this complex neurological disorder.

Your Committee has amended this bill by making technical, nonsubstantive changes as requested by the DOH for purposes of accuracy, style, and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2448, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2448, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

**SCRep. 1084-00 Health and Public Safety and Military Affairs on S.B. 2434**

The purpose of this bill is to establish a Substance Abuse Multi-Agency Coordinating Council (SAMACC) to be administratively attached to the Department of Health (DOH) to develop statewide policy to set the general direction for substance abuse prevention and treatment programs.

Testimony in support of this bill was submitted by the Hawaii Hotel Association, Government Efficiency Teams, Inc., American Civil Liberties Union of Hawaii Foundation, and the Hawaii Substance Abuse Coalition. The Legislative Center, Judiciary, the Hawaii Paroling Authority, Department of Accounting and General Services, the Attorney General, the Department of the Prosecuting Attorney of the City and County of Honolulu, and DOH supported the intent of the bill. The Department of Budget and Finance opposed this bill. The Office of Youth Services, Hawaii Liquor Wholesalers Association, and Legislative Information Services of Hawaii commented on this bill.

Your Committees have amended this bill by replacing its contents with the substantive provisions of H.B. No. 2894, H.D. 1, a similar bill that was reported out earlier this session by your Committees on Health and Public Safety and Military Affairs.

As amended, this bill:

- (1) Establishes SAMACC;
- (2) Establishes the Substance Abuse Programs Revolving Fund (Fund) and specifies that all moneys collected under sections 244D-2, 244D-17, 245-2, 245-15, and 706- , Hawaii Revised Statutes, are to be deposited into the Fund;
- (3) Increases the liquor permit fee from \$2.50 to \$500;
- (4) Increases the liquor permit renewal fee from \$2.50 to \$250;
- (5) Increases the duplicate liquor permit fee from 50 cents to \$50;
- (6) Increases the gallonage tax on six categories of liquor to specified amounts;
- (7) Increases the wholesaler or dealer cigarette and tobacco license fee from \$2.50 to \$250;
- (8) Increases the excise tax on cigarettes from five cents to six cents;
- (9) Makes drug demand reduction assessments and the related fund permanent;
- (10) Repeals the State Advisory Commission on Drug Abuse and Controlled Substances; and
- (11) Appropriates out of the general revenues the sum of \$150,000 to be deposited into the Fund for fiscal year 2000-2001.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2434, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2434, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Pendleton.  
(Representative McDermott voted no).

**SCRep. 1085-00 Human Services and Housing and Health on S.B. No. 2320**

The purpose of this bill is to establish a Commission for Long-Term Care, Disability, and Elderly Services (Commission) composed of experts in the Office of the Lieutenant Governor to prepare recommendations for the establishment of an integrated, cost-effective, and responsive long-term care delivery system to provide quality care for citizens in the State. The bill also appropriates an unspecified amount for start-up funds for the Commission.

Concerned individuals submitted testimony in support of the bill. The Department of Human Services, the State Executive Office On Aging, the Office of the Lieutenant Governor, the Office of the Attorney General, and Healthcare Association of Hawaii submitted testimony in opposition to the bill. The Disability and Communication Access Board and the State Planning Council On Developmental Disabilities submitted comments on the bill.

After careful consideration, your Committees have amended the bill by:

- (1) Adding a findings and purpose section to give a situational context to the bill;
- (2) Transferring the Commission from the Office of the Lieutenant Governor to the Legislature's Joint Legislative Committee on Long-Term Care Financing (Joint Legislative Committee);
- (3) Clarifying that the Commission is a temporary agency;
- (4) Increasing the number of Commission members from thirteen to fifteen for greater participation of the long-term care industry;
- (5) Providing that the Senate President and the Speaker of the House will jointly appoint the Commission members from a greater and different pool of candidates, rather than submitting nominees for appointment by the Governor;
- (6) Providing that Commission member select the chairperson without a salary equal to a department deputy director, rather than the Governor appointing an executive director with a salary;
- (7) Revising the functions and duties of the Commission and requiring the Commission to report to the Joint Legislative Committee on its findings and recommendations regarding certain sections of its assigned areas of study at specified intervals;
- (8) Authorizing the Commission to contract for consultation services;
- (9) Changing the expending agency to the Legislature, rather than the Office of the Lieutenant Governor;
- (10) Changing the effective date to July 1, 2000 for all sections of the Act, with a repeal date of December 31, 2004; and
- (11) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2320, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2320, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kahikina, Yamane and McDermott.

**SCRep. 1086-00 Human Services and Housing and Health on S.B. No. 2717**

The purpose of this bill is to ensure quality social work services by retaining licensure for social workers in Hawaii.

Specifically, this measure:

- (1) Ensures the continuation of the State Social Work Licensing Program;
- (2) Allows for reciprocity with other state licensing programs; and
- (3) Establishes a June 30, 2000, cut-off date for accepting the Academy of Certified Social Workers exam taken by June 30, 1995, for licensure.

The Departments of Human Services and Health, the National Association of Social Workers (NASW), Child and Family Service, the Hawaii Youth Services Network, the Sex Abuse Treatment Center, the Kokua Council, the Healthcare Association of

Hawaii, the Maui members of the NASW, Kaiser Permanente, and many individuals testified in support of this measure. The Department of Commerce and Consumer Affairs submitted comments.

Your Committees note that a similar bill, H.B. No. 2278, H.D. 1, passed your Committees on Human Services and Housing and Health earlier this session.

Your Committees support the continuing licensing of social workers, and have amended this measure by making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2717, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2717, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committees except Representatives Arakaki, Kahikina, Yamane and McDermott.

**SCRep. 1087-00 Tourism on H.R. No. 144**

The purpose of this resolution is to request the Hawaii Tourism Authority (HTA) to establish a transition plan to transfer the functions and responsibilities of the Convention Center Authority (CCA) to HTA.

HTA, Hawaii Hotel Association, and Maui Hotel Association testified in support of this measure. The Department of Business, Economic Development, and Tourism also testified in support of the measure but with suggested amendments. Comments were submitted by CCA.

Your Committee has amended this resolution by:

- (1) Specifying that the transition plan include how HTA will carry out the community relations and marketing aspects of the Convention Center; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 144, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 144, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1088-00 Tourism on H.C.R. No. 164**

The purpose of this concurrent resolution is to request the Hawaii Tourism Authority (HTA) to establish a transition plan to transfer the functions and responsibilities of the Convention Center Authority (CCA) to HTA.

HTA, Hawaii Hotel Association, and Maui Hotel Association testified in support of this measure. The Department of Business, Economic Development, and Tourism also testified in support of the measure but with suggested amendments. Comments were submitted by CCA.

Your Committee has amended this concurrent resolution by:

- (1) Specifying that the transition plan include how HTA will carry out the community relations and marketing aspects of the Convention Center; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 164, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 164, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1089-00 Human Services and Housing on H.C.R. No. 25**

The purpose of this concurrent resolution is to:

- (1) Request the Department of Human Services (DHS) and the Housing and Community Development Corporation of Hawaii (Corporation) to coordinate policies and services for public assistance recipients in public housing; and



- (2) Request DHS and the Corporation to submit a report to the Legislature regarding their collaborative efforts prior to the 2001 Regular Session.

The Corporation and the Affordable Housing and Homeless Alliance supported this concurrent resolution. The DHS supported the general intent of this concurrent resolution, but felt that its intent is already being addressed and is therefore unnecessary.

Your Committee finds that welfare and housing assistance are very closely related, and that there is much crossover between the recipients of each. Therefore, coordination between these programs will benefit both the clients and administrators of these programs. Collaboration between welfare and housing assistance administrators will streamline the responsibilities of each, and will allow each to draw upon the resources of the other. Such collaborative efforts should be particularly useful in helping families secure work within the five-year limit on welfare benefits. For these reasons, your Committee supports this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 25 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1090-00 Health on H.C.R. No. 88**

The purpose of this concurrent resolution is to allow the Office of Information Practices (OIP) to formally convene a task force to assist OIP in analyzing health care information issues and in drafting rules regulating the handling and disclosure of medical records as required by Act 87, Session Laws of Hawaii (SLH) 1999, now codified as chapter 323C, Hawaii Revised Statutes.

Testimony in support of the measure was submitted by OIP, the Hawaii Medical Service Association, the Healthcare Association of Hawaii, and Kaiser Permanente.

Your Committee finds that a task force composed of interested members of the community and health care organizations will provide valuable assistance to OIP in drafting rules required by Act 87, SLH 1999.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 88 and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee.

**SCRep. 1091-00 Tourism on H.R. No. 110**

The purpose of this resolution is to:

- (1) Recognize the importance of the golf course industry in Hawaii; and
- (2) Designate the Ewa Plains/Kapolei region as the golf capital of Oahu.

The Estate of James Campbell, Hawaii Prince Golf Club, Gentry Homes, Ltd., and Haseko Homes, Inc., testified in support of the measure. The Hawaii Audubon Society testified in opposition to the measure.

Your Committee recognizes the significance of the golf industry to the state economy in general and to the Ewa/Kapolei region in particular.

Your Committee has amended this resolution by:

- (1) Amending its title to read: "RECOGNIZING THE IMPORTANCE OF THE GOLF INDUSTRY IN HAWAII AND DESIGNATING THE EWA PLAINS/KAPOLEI REGION AS THE GOLF CAPITAL OF OAHU";
- (2) Amending the names of the following golf clubs to reflect their proper names as follows: "Honolulu Prince Golf Course" to "Hawaii Prince Golf Club"; "New International Golf Course" to "New Ewa Beach Golf Club"; "Ko Olina Golf Course" to "Ko Olina Golf Club"; "Royal Kunia Golf Course" to "Royal Kunia Country Club"; and "Waikele Golf Course" to "Waikele Golf Club"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 110, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 110, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1092-00 Tourism on H.C.R. No. 126**

The purpose of this concurrent resolution is to:

- (1) Recognize the importance of the golf course industry in Hawaii; and
- (2) Designate the Ewa Plains/Kapolei region as the golf capital of Oahu.

The Estate of James Campbell, Hawaii Prince Golf Club, Gentry Homes, Ltd., and Haseko Homes, Inc., testified in support of the measure. The Hawaii Audubon Society testified in opposition to the measure.

Your Committee recognizes the significance of the golf industry to the state economy in general and to the Ewa/Kapolei region in particular.

Your Committee has amended this concurrent resolution by:

- (1) Amending its title to read: "RECOGNIZING THE IMPORTANCE OF THE GOLF INDUSTRY IN HAWAII AND DESIGNATING THE EWA PLAINS/KAPOLEI REGION AS THE GOLF CAPITAL OF OAHU";
- (2) Amending the names of the following golf clubs to reflect their proper names as follows: "Honolulu Prince Golf Course" to "Hawaii Prince Golf Club"; "New International Golf Course" to "New Ewa Beach Golf Club"; "Ko Olina Golf Course" to "Ko Olina Golf Club"; "Royal Kunia Golf Course" to "Royal Kunia Country Club"; and "Waikele Golf Course" to "Waikele Golf Club"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 126, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 126, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1093-00 Consumer Protection and Commerce on S.B. No. 2906**

The purpose of this measure is to repeal the Garment Industry Homework laws.

Your Committee supports the administration's Slice Waste and Tape program (SWAT) effort to eliminate unnecessary regulation. There is no comparable federal law that requires certification of garment industry home workers.

Testimony was received in support of this measure from the Office of the Lieutenant Governor and the Department of Labor and Industrial Relations.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2906 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Chang, Herkes, Takumi, Yoshinaga and Halford.

**SCRep. 1094-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 2024**

The purpose of this measure is to improve the collection of Hawaii's cancer statistics by requiring the reporting of cancer cases detected in physician's offices, laboratories, free-standing radiation oncology facilities, and other treatment and pathology facilities to the Hawaii Tumor Registry or hospital-based registries.

Testimony in strong support of this measure was submitted by the Cancer Research Center of Hawaii, Hawaii Tumor Registry, and Hawaii Medical Association.

Testimony in support of this measure was submitted by the Department of Health.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2024, H.D. 1 and recommend that it pass Third Reading.

Signed by all members of the Committees except Representatives Chang, Hamakawa, Herkes, Hiraki, Takumi, Yoshinaga, Halford and Pendleton.

**SCRep. 1095-00 Human Services and Housing on H.C.R. No. 75**

The purpose of this concurrent resolution is to:

- (1) Urge Hawaii's counties to revise their building code provisions pertaining to accessibility for persons with disabilities;
- (2) Urge the convening of an interagency meeting to facilitate the dissemination and exchange of information necessary to bring about these building code revisions; and
- (3) Urge the counties to submit a status report to the Legislature prior to the Regular Session of 2001 regarding the revision of accessibility guidelines in their building codes.

Hawaii Centers for Independent Living and an individual supported this concurrent resolution. The Disability and Communication Access Board and American Institute of Architects supported this measure with suggested technical amendments.

Your Committee finds that it is important to assure that county building codes incorporate the most current accessibility guidelines for people with disabilities. Delineating national guidelines at the local level is necessary to achieve consistent adherence to accessibility rules.

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

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 75, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce in the form attached hereto as H.C.R. No. 75, H.D. 1.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1096-00 Human Services and Housing on H.C.R. No. 189**

The purpose of this concurrent resolution is to request the Department of Human Services to convene an interagency working group (group) to help low-income families become self-sufficient. This group is requested to discuss:

- (1) Worker stipend programs;
- (2) State earned income tax credits; and
- (3) Job retention and advancement services.

The group is further requested to develop an overall model that helps welfare recipients who reach the five-year lifetime limit find jobs.

The National Association of Social Workers, Hawaii Catholic Conference, Legal Aid Society of Hawaii, and Welfare and Employment Rights Commission supported this concurrent resolution. The Department of Human Services commented on this measure.

Your Committee finds that there exists a continuing need to develop strategies for assisting welfare recipients to become self-sufficient. The group suggested by this concurrent resolution would represent public and private organizations and would provide a wide range of insight into ways to help Hawaii's citizens who live in poverty.

Upon further consideration, your Committee has amended this concurrent resolution by adding representatives from the following organizations and groups to the members of the proposed working group:

- (1) Institutions of higher learning;
- (2) Welfare recipients;
- (3) Communities of faith; and
- (4) The Domestic Violence Coalition.

Technical, nonsubstantive changes have also been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 189, as amended herein, and recommends that it be referred to the Committee on Labor and Public Employment in the form attached hereto as H.C.R. No. 189, H.D. 1.

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

**SCRep. 1097-00 Consumer Protection and Commerce on H.R. No. 58**

The purpose of this resolution is to request a sunrise evaluation of the regulatory controls to be imposed on the currently unregulated security alarm industry under H.B. No. 2125, a bill introduced in the 2000 regular legislative session. The evaluation is to be performed by the Auditor as required under section 26H-6, Hawaii Revised Statutes.

Testimony supporting this resolution was provided by the Honolulu Police Department.

Your Committee has amended this measure by:

- (1) Requesting that in addition to assessing costs to the regulating agency and the alarm industry, the Auditor evaluate costs to alarm users;
- (2) Correcting the due date for submission of the Auditor's report to twenty days prior to the Regular Session of 2001, as opposed to the Regular Session of 2000; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 58, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 58, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1098-00 Consumer Protection and Commerce on H.C.R. No. 65**

The purpose of this concurrent resolution is to request a sunrise evaluation of the regulatory controls to be imposed on the currently unregulated security alarm industry under H.B. No. 2125, a bill introduced in the 2000 regular legislative session. The evaluation is to be performed by the Auditor as required under section 26H-6, Hawaii Revised Statutes.

Testimony supporting this concurrent resolution was provided by the Honolulu Police Department.

Your Committee has amended this measure by:

- (1) Requesting that in addition to assessing costs to the regulating agency and the alarm industry, the Auditor evaluate costs to alarm users;
- (2) Correcting the due date for submission of the Auditor's report to twenty days prior to the Regular Session of 2001, as opposed to the Regular Session of 2000; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.C.R. No. 65, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1099-00 Tourism on H.R. No. 84**

The purpose of this resolution is to support the Hawaii Psychiatric Medical Association's interest in having a future annual meeting of the American Psychiatric Association in Hawaii.

The Hawaii Tourism Authority, Hawaii Medical Association, and NAMI Oahu testified in support of this measure. The Hawaii Psychiatric Medical Association also testified in support of the measure but with suggested amendments.

Your Committee has amended this resolution by:

- (1) Clarifying that the meeting held in Hawaii in 1973 attracted more participants than the mainland annual meeting the year before and the year after the meeting in Hawaii; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 84, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 84, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1100-00 Tourism on H.C.R. No. 94**

The purpose of this concurrent resolution is to support the Hawaii Psychiatric Medical Association's interest in having a future annual meeting of the American Psychiatric Association in Hawaii.

The Hawaii Tourism Authority, Hawaii Medical Association, and NAMI Oahu testified in support of this measure. The Hawaii Psychiatric Medical Association also testified in support of the measure but with suggested amendments.

Your Committee has amended this concurrent resolution by:

- (1) Clarifying that the meeting held in Hawaii in 1973 attracted more participants than the mainland annual meeting the year before and the year after the meeting in Hawaii; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 94, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 94, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Ito, Morihara and Halford.

**SCRep. 1101-00 Human Services and Housing on H.R. No. 151**

The purpose of this resolution is to request the Department of Human Services (DHS) to develop a "safety net" program to address the needs of public assistance recipients who will be exhausting their five-year lifetime eligibility for federal welfare benefits, but who will still be unable to provide for their own basic needs or those of their families.

The National Association of Social Workers, the Hawaii Catholic Conference, and the Welfare & Employment Rights Coalition testified in support of this resolution. The DHS testified in support of the intent of this resolution.

Your Committee has amended this resolution by:

- (1) Requesting that the DHS involve other state departments, current federal welfare recipients, local businesses, and nonprofit organizations in the development of the safety net program report;
- (2) Clarifying that the safety net program report should examine:
  - (A) The expected future impact of the five-year welfare benefit limit on affected families and individuals in Hawaii;
  - (B) Approaches that have been taken in establishing "safety net" programs in other states; and
  - (C) Studies that have been undertaken in other states regarding alternative strategies for a successful "safety net" program.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 151, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 151, H.D. 1.

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

**SCRep. 1102-00 Human Services and Housing on H.C.R. No. 173**

The purpose of this concurrent resolution is to request the Department of Human Services (DHS) to develop a "safety net" program to address the needs of public assistance recipients who will be exhausting their five-year lifetime eligibility for federal welfare benefits, but who will still be unable to provide for their own basic needs or those of their families.

The National Association of Social Workers, the Hawaii Catholic Conference, and the Welfare & Employment Rights Coalition testified in support of this concurrent resolution. The DHS testified in support of the intent of this concurrent resolution.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that the DHS involve other state departments, current federal welfare recipients, local businesses, and nonprofit organizations in the development of the safety net program report;
- (2) Clarifying that the safety net program report should examine:

- (A) The expected future impact of the five-year welfare benefit limit on affected families and individuals in Hawaii;
- (B) Approaches that have been taken in establishing "safety net" programs in other states; and
- (C) Studies that have been undertaken in other states regarding alternative strategies for a successful "safety net" program.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 173, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 173, H.D. 1.

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

**SCRep. 1103-00 Human Services and Housing on H.R. No. 165**

The purpose of this resolution is to request the Housing and Community Development Corporation of Hawaii (Corporation) to explore home ownership options at the state-owned and operated Palolo Homes I and II.

The Corporation, Affordable Housing and Homeless Alliance, and four individuals testified in support of this resolution.

Your Committee finds that this measure is the first step towards making home ownership a reality for low- and moderate-income families.

Your Committee has amended this resolution by:

- (1) Expanding its coverage to include other state-owned and operated housing projects; and
- (2) Changing its title to read: "REQUESTING THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII TO EXPLORE HOME OWNERSHIP OPTIONS AT THE STATE-OWNED AND OPERATED PALOLO HOMES I AND II AND OTHER STATE-OWNED AND OPERATED HOUSING PROJECTS."

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 165, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 165, H.D. 1.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1104-00 Human Services and Housing on H.C.R. No. 190**

The purpose of this concurrent resolution is to request the Housing and Community Development Corporation of Hawaii (Corporation) to explore home ownership options at the state-owned and operated Palolo Homes I and II.

The Corporation, Affordable Housing and Homeless Alliance, and four individuals testified in support of this concurrent resolution.

Your Committee finds that this measure is the first step towards making home ownership a reality for low- and moderate-income families.

Your Committee has amended this concurrent resolution by:

- (1) Expanding its coverage to include other state-owned and operated housing projects; and
- (2) Changing its title to read: "REQUESTING THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII TO EXPLORE HOME OWNERSHIP OPTIONS AT THE STATE-OWNED AND OPERATED PALOLO HOMES I AND II AND OTHER STATE-OWNED AND OPERATED HOUSING PROJECTS."

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 190, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 190, H.D. 1.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1105-00 Ocean Recreation and Marine Resources on H.R. No. 92**

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to conduct a study of the marine mammal population off the Waianae Coast. This study will determine what, if any, effect commercial marine mammal watching tours may have on behavior patterns of marine mammals in the area.

The study will allow DLNR to determine the maximum number of commercial use permits that should be issued for marine mammal watching tours, and to determine the feasibility of issuing commercial use permits for specific rather than unspecified ocean recreational activities. The DLNR will also be requested to review existing and ongoing research about the effects that human activity may have on marine mammals.

Your Committee received testimony in favor of this measure from the Marine Mammal Research Program, Dolphin Excursions Hawaii, the Hawaiian Political Action Council of Hawaii, and several concerned individuals. The DLNR supported the intent of this resolution.

While your Committee realizes that DLNR does not have the necessary resources to conduct this study, by passing this resolution, it hopes to show that marine mammals are a high priority to the State of Hawaii, thereby making it easier for researchers to receive grants and funding.

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

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

**SCRep. 1106-00 Ocean Recreation and Marine Resources on H.C.R. No. 103**

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR), to conduct a study of the marine mammal population off the Waianae Coast. This study will determine what, if any, effect commercial marine mammal watching tours may have on behavior patterns of marine mammals in the area.

This study will allow DLNR to determine the maximum number of commercial use permits that should be issued for marine mammal watching tours, and to determine the feasibility of issuing commercial use permits for specific rather than unspecified ocean recreational activities. The DLNR will also be requested to review existing and ongoing research about the effects that human activity may have on marine mammals.

Your Committee received testimony in favor of this measure from the Marine Mammal Research Program, Dolphin Excursions Hawaii, the Hawaiian Political Action Council of Hawaii, and several concerned individuals. The DLNR supported the intent of this resolution.

While your Committee realizes that DLNR does not have the necessary resources to conduct this study, by passing this concurrent resolution it hopes to show that marine mammals are a high priority to the State of Hawaii, thereby making it easier for researchers to receive grants and funding.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 103 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1107-00 Consumer Protection and Commerce on H.R. No. 127**

The purpose of this resolution is to request a study by the Insurance Commissioner (Commissioner) of the effect of the cost savings attributable to motor vehicle reform under Act 251, Session Laws of Hawaii 1997, on consumer access through chiropractor referral, to medically reasonable and necessary massage therapy and physical therapy services.

Testimony in support of this resolution was submitted by the Hawaii State Chiropractic Association and Hawaii Chapter American Physical Therapy Association. The Commissioner stated willingness to participate in any study required under the resolution.

Your Committee has amended this resolution by:

- (1) Enlarging the scope of the study to be performed by the Commissioner, by requesting that the study not only examine the impact of cost savings under Act 251 on consumer access to physical and massage therapy referrals, but also determine whether limits on access under the Act have resulted in cost savings;
- (2) Rewording the title of the resolution to read:

REQUESTING THE INSURANCE COMMISSIONER TO DETERMINE WHETHER MOTOR VEHICLE REFORM UNDER ACT 251, SESSION LAWS OF HAWAII 1997, HAS IMPACTED CONSUMER ACCESS

TO MEDICALLY REASONABLE, NECESSARY, AND APPROPRIATE REFERRAL TO MASSAGE THERAPY AND PHYSICAL THERAPY, AND IF THIS HAS CONTRIBUTED TO CONSUMER COST SAVINGS UNDER THE ACT; and

- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 127, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 127, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1108-00 Consumer Protection and Commerce on H.C.R. No. 145**

The purpose of this concurrent resolution is to request a study by the Insurance Commissioner (Commissioner) of the effect of the cost savings attributable to motor vehicle reform under Act 251, Session Laws of Hawaii 1997, on consumer access through chiropractor referral, to medically reasonable and necessary massage therapy and physical therapy services.

Testimony in support of this concurrent resolution was submitted by the Hawaii State Chiropractic Association and Hawaii Chapter American Physical Therapy Association. The Commissioner stated willingness to participate in any study required under the concurrent resolution.

Your Committee has amended this concurrent resolution by:

- (1) Enlarging the scope of the study to be performed by the Commissioner, by requesting that the study not only examine the impact of cost savings under Act 251 on consumer access to physical and massage therapy referrals, but also determine whether limits on access under the Act have resulted in cost savings;

- (2) Rewording the title of the concurrent resolution to read:

REQUESTING THE INSURANCE COMMISSIONER TO DETERMINE WHETHER MOTOR VEHICLE REFORM UNDER ACT 251, SESSION LAWS OF HAWAII 1997, HAS IMPACTED CONSUMER ACCESS TO MEDICALLY REASONABLE, NECESSARY, AND APPROPRIATE REFERRAL TO MASSAGE THERAPY AND PHYSICAL THERAPY, AND IF THIS HAS CONTRIBUTED TO CONSUMER COST SAVINGS UNDER THE ACT; and

- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 145, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 145, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Yoshinaga and Halford.

**SCRep. 1109-00 Ocean Recreation and Marine Resources and Water and Land Use on H.C.R. No. 13**

The purpose of this concurrent resolution is to allow the Department of Land and Natural Resources (DLNR) to lease, by public auction, the submerged lands at Duke Kahanamoku Beach Pier at Waikiki.

Hilton Hawaiian Village was issued a revocable permit in 1964, for the submerged lands under the pier, and this permit continues to exist today. The DLNR has determined that the revocable permit is no longer the appropriate disposition of the submerged public lands underlying the pier and that a long-term general lease is the appropriate vehicle.

The DLNR, the Hawaii Boaters Political Action Association and a concerned individual testified in support of this resolution. The Ala Wai Marina Board, Hawaii's Thousand Friends, and a concerned individual testified in opposition to this resolution. The Hilton Hawaiian Village offered comments.

Since Hilton Hawaiian Village entered into an agreement with Atlantis Submarine to allow it to shuttle to and from its submarines, the usage and value of the pier has greatly increased. The DLNR believes that the submerged lands should be disposed of on a long-term basis, and the Attorney General has determined that the appropriate disposition method is by public auction.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Water and Land Use that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 13 and recommend that it be referred to the Committee on Finance.



Signed by all members of the Committees except Representatives Takumi, Garcia, Meyer.

**SCRep. 1110-00 Water and Land Use on H.C.R. No. 151**

The purpose of this resolution is to prepare a comprehensive master plan for Kokee and Waimea Canyon State Parks (Parks). The Chairperson of the Land and Natural Resources is requested facilitate the development of the master plan with the appropriate divisions in Department of Land and Natural Resources (DLNR), existing lessees, and other stakeholders and interested parties; prioritize needs of the Parks; and determine how to best fund and implement programs to address priorities indicated in the master plan.

The DLNR testified in support of the resolution.

Your Committee finds that the existing infrastructure (e.g. water, sewer, and roads) at Kokee and Waimea Canyon State Parks is inadequate to meet the current and future needs. There is also an urgent need to repair and maintain the existing infrastructure that serve Kokee and Waimea Canyon State Parks and to provide necessary staffing and equipment.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 151, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1111-00 Water and Land Use on H.C.R. No. 203**

The purpose of this resolution is to encourage all state and county agencies to assist Head Start Programs in obtaining land and other resources to increase its local funding and thereby increasing the corresponding federal matching funds.

The Department of Land and Natural Resources (DLNR) offered comments that it is willing to work with State or County agencies to set aside lands to these agencies for Head Start.

Your Committee finds that the Head Start Program serves an important public need in improving the lives of disadvantaged children in Hawaii as well as offering opportunities for career development to families that participate in their program.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 203, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1112-00 Agriculture on H.R. No. 27**

The purpose of this resolution is to request the Department of Agriculture to conduct a study on the feasibility of establishing a farmer's market in the State.

Your Committee finds that Hawaii could become a major agricultural center with its variety of soils, altitudes, and rain conditions and can grow virtually any crop. Additionally, with the closing of the sugar plantation in recent years, there is a growing number of small farmers who need to promote and market their agricultural and aquacultural products. Almost any crop can be grown in Hawaii. Purchasing locally grown products would reduce our food imports, keep money in the state, and expand our economy.

Your Committee has amended this resolution by having the Department of Agriculture Study to include:

- (1) A financial plan for the development of a Hawaii Farmer's Markets;
- (2) A financial impact analysis on the normal "three tier system" going from Farmer to Wholesaler to Retailer;
- (3) An analysis on the impact of potential job loss to wholesalers and retailers as it relates to the loss of revenue due to decreased market share for existing retailers;
- (4) An analysis on the financial impact as it relates to the increased burden on State Departments executing required inspections for retail operations; and
- (5) An analysis to establish the total number of Farmer's Markets, People's Markets, and flea Markets, and if there is a need for additional markets.

Testimonies were received from the Board of Agriculture and the Hawaii Farm Bureau Federation in support of this resolution. The Legislative Information Services of Hawaii supports the intent of this measure and offered comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 27, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 27, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1113-00 Agriculture on H.C.R. No. 24**

The purpose of this concurrent resolution is to request the Department of Agriculture to conduct a study on the feasibility of establishing a farmer's market in the State.

Your Committee finds that Hawaii could become a major agricultural center with its variety of soils, altitudes, and rain conditions and can grow virtually any crop. Additionally, with the closing of the sugar plantation in recent years, there is a growing number of small farmers who need to promote and market their agricultural and aquacultural products. Almost any crop can be grown in Hawaii. Purchasing locally grown products would reduce our food imports, keep money in the state, and expand our economy.

Your Committee has amended this concurrent resolution by having the Department of Agriculture Study to include:

- (1) A financial plan for the development of a Hawaii Farmer's Markets;
- (2) A financial impact analysis on the normal "three tier system" going from Farmer to Wholesaler to Retailer;
- (3) An analysis on the impact of potential job loss to wholesalers and retailers as it relates to the loss of revenue due to decreased market share for existing retailers;
- (4) An analysis on the financial impact as it relates to the increased burden on State Departments executing required inspections for retail operations; and
- (5) An analysis to establish the total number of Farmer's Markets, People's Markets, and flea Markets, and if there is a need for additional markets.

Testimonies were received from the Board of Agriculture and the Hawaii Farm Bureau Federation in support of this concurrent resolution. The Legislative Information Services of Hawaii supports the intent of this measure and offered comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 24, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 24, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1114-00 Human Services and Housing on H.R. No. 164**

The purpose of this resolution is to request the Department of Human Services to convene an interagency working group (group) to help low-income families become self-sufficient. This group is requested to discuss:

- (1) Worker stipend programs;
- (2) State earned income tax credits; and
- (3) Job retention and advancement services.

The group is further requested to develop an overall model that helps welfare recipients who reach the five-year lifetime limit find jobs.

The National Association of Social Workers, Hawaii Catholic Conference, Legal Aid Society of Hawaii, and Welfare and Employment Rights Commission supported this resolution. The Department of Human Services commented on this measure.

Your Committee finds that there exists a continuing need to develop strategies for assisting welfare recipients to become self-sufficient. The group suggested by this resolution would represent public and private organizations and would provide a wide range of insight into ways to help Hawaii's citizens who live in poverty.

Upon further consideration, your Committee has amended this resolution by adding representatives from the following organizations and groups to the members of the proposed working group:

- (1) Institutions of higher learning;

- (2) Welfare recipients;
- (3) Communities of faith; and
- (4) The Domestic Violence Coalition.

Technical, nonsubstantive changes have also been made for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 164, as amended herein, and recommends that it be referred to the Committee on Labor and Public Employment in the form attached hereto as H.R. No. 164, H.D. 1.

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

**SCRep. 1115-00 Human Services and Housing and Health on H.R. No. 8**

The purpose of this resolution is to encourage continued discussion for a comprehensive review of current child protection laws by requesting the Hawaii Appleseed Public Interest Law Foundation to continue discussion and seek input in its comprehensive assessment of reviewing and conforming current state child protection statutes.

The Department of Human Services (DHS) testified in support of the intent of the measure.

Your Committees have amended this resolution by:

- (1) Requesting that public and private agencies, including DHS, the Department of Health, the Department of Education, the Department of the Attorney General, the Judiciary, and the respective county police departments, participate in the discussion;
- (2) Specifying that the Director of Health, the Superintendent of Education, the Attorney General, the Administrative Director of the Courts, and the chiefs of police of the county police departments also receive certified copies of the resolution;
- (3) Clarifying that a certified copy of the resolution be transmitted to the co-conveners of the Child Protection Legislative Roundtable; and
- (4) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 8, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 8, H.D. 1.

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

**SCRep. 1116-00 Human Services and Housing and Health on H.C.R. No. 10**

The purpose of this concurrent resolution is to encourage continued discussion for a comprehensive review of current child protection laws by requesting the Hawaii Appleseed Public Interest Law Foundation to continue discussion and seek input in its comprehensive assessment of reviewing and conforming current state child protection statutes.

The Department of Human Services (DHS) testified in support of the intent of the measure.

Your Committees have amended this concurrent resolution by:

- (1) Requesting that public and private agencies, including DHS, the Department of Health, the Department of Education, the Department of the Attorney General, the Judiciary, and the respective county police departments, participate in the discussion;
- (2) Specifying that the Director of Health, the Superintendent of Education, the Attorney General, the Administrative Director of the Courts, and the chiefs of police of the county police departments also receive certified copies of the concurrent resolution;
- (3) Clarifying that a certified copy of the concurrent resolution be transmitted to the co-conveners of the Child Protection Legislative Roundtable; and
- (4) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 10, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 10, H.D. 1.

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

**SCRep. 1117-00 Human Services and Housing and Public Safety and Military Affairs on H.C.R. No. 67**

The purpose of this concurrent resolution is to request the Housing and Community Development Corporation of Hawaii (Corporation) to:

- (1) Administer the Low Income Housing Tax Credit Program in a manner that is not unduly restrictive for bond financed projects;
- (2) Consider the housing needs of military personnel and their dependents; and
- (3) Submit a report to the Legislature on the actions taken pursuant to the request in this concurrent resolution.

The Department of Community Services, City and County of Honolulu, Marshall Affordable Business Development Corporation, and a concerned individual submitted testimony in support of this concurrent resolution. Testimony in opposition to this measure was submitted by the Department of Business, Economic Development, and Tourism. The Congressional Office of Neil Abercrombie submitted comments on this concurrent resolution.

Low-income housing for the civilian and military populations of Hawaii is a matter that should be addressed by the State, the military, and private developers.

Your Committees have amended this measure by:

- (1) Changing the title and focus of this concurrent resolution to request that the Corporation initiate a collaborative effort with the military and private developers to develop options to provide low-income housing to the civilian and military populations in Hawaii;
- (2) Deleting the requests relating to directives regarding the tax credit for low-incoming housing projects of section 42 of the Internal Revenue Code, and substituting a request that the Corporation, when issuing tax exempt bonds, consider giving priority to the use of the bonds for financing low-income housing eligible for the section 42 tax credit; and
- (3) Requesting that the Corporation submit a report to the Legislature on the progress of the Corporation's collaborative efforts with private developers and the military.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 67, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 67, H.D. 1.

Signed by all members of the Committees except Representatives Kahikina, McDermott and Pendleton.

**SCRep. 1118-00 Health on H.R. No. 72**

The purpose of this resolution is to increase the number of individuals donating organs by requesting the Legislative Reference Bureau (LRB) to conduct a study, in conjunction with the Organ Donor Center of Hawaii, to:

- (1) Determine the most efficient way to educate the people of Hawaii about organ donation; and
- (2) Dispel the misconceptions that prevent organ donation.

The Organ Donor Center of Hawaii, the National Kidney Foundation of Hawaii, and an individual testified in support of this measure. Kaiser Permanente and the Hawaii Organ Donation Coalition testified in support of the intent of this measure. LRB opposed this measure.

Your Committee finds that in 1998, LRB issued "Heart and Soul: Anatomical Gifts for Hawaii's Transplant Community," in which LRB recommended education as a very important component of increasing the chance of obtaining consent from future organ donors and expanding the pool of potential organ donors. The study also detailed specific areas of public awareness that could be targeted, and described other states' efforts at increasing the visibility of the organ donation situation.

Your Committee further finds that Act 88, Session Laws of Hawaii (SLH) 1999, provided a comprehensive framework to increase the numbers of available organ donors. The purpose of Act 88, SLH 1999, is to, among other things:

- (1) Expand educational efforts across all ethnic, religious, and age groups;

- (2) Increase the supply of organs for wait-listed transplant recipients; and
- (3) Create a special fund to be used to promote public education programs on organ, tissue, and eye donation.

Your Committee recognizes that while this measure is duplicative of past studies and the provisions of Act 88, SLH 1999, it is important to keep this measure alive so that the Legislature can direct LRB to conduct a study that would:

- (1) Build on previous measures;
- (2) Focus on a continuum of funding and educational efforts; and
- (3) Address misconceptions, cultural and religious barriers, and myths of organ donation.

Your Committee has asked the Hawaii Organ Donor Coalition and other advocates to determine how this measure could be amended to address your Committee's intent. Upon receiving the suggestions, your Committee will forward the information and respectfully request the Committee on Finance to consider the recommendations.

Your Committee has amended this measure by making numerous technical, nonsubstantive amendments to conform with legislative drafting style, including:

- (1) Amending the title to read: "REQUESTING A STUDY TO DETERMINE THE MOST EFFICIENT WAY TO EDUCATE THE PEOPLE OF HAWAII ABOUT ORGAN DONATION AND HOW TO DISPEL THE MISCONCEPTIONS THAT PREVENT ORGAN DONATION";
- (2) Requesting LRB to submit its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2001; and
- (3) Transmitting certified copies of the Resolution to the Acting Director of LRB and the Executive Director of the Organ Donor Center of Hawaii.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 72, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 72, H.D. 1.

Signed by all members of the Committee except Representative Arakaki.

**SCRep. 1119-00 Health on H.R. No. 3**

The purpose of this resolution is to express the Legislature's strong support for the Healthy Start Program (Program) by urging its continued funding of the Program from general funds.

The Hawaii Family Support Center, Parents and Children Together, and the Hawaii Early Intervention Coordinating Council testified in support of this resolution. The Department of Health testified in support of the intent of this resolution only if it does not replace or adversely impact priorities as indicated in the Executive Supplemental Budget Request.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 3 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1120-00 Health on H.C.R. No. 4**

The purpose of this concurrent resolution is to express the Legislature's strong support for the Healthy Start Program (Program) by urging its continued funding of the Program from general funds.

The Hawaii Family Support Center, Parents and Children Together, and the Hawaii Early Intervention Coordinating Council testified in support of this concurrent resolution. The Department of Health testified in support of the intent of this concurrent resolution only if it does not replace or adversely impact priorities as indicated in the Executive Supplemental Budget Request.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 4 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1121-00 Health on H.R. No. 99**

The purpose of this resolution is to request the Director of Health to convene a task force to:

- (1) Study the implications of increased access to sterile syringes; and
- (2) Submit a report of the findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2001.

The Department of Health testified in support of this measure.

Research has shown that increased access to sterile syringes does not promote increased drug use. Your Committee notes that while Hawaii law allows for the exchange of sterile syringes to injection drug users through a one-for-one syringe exchange program, needle exchanges are not sufficient to prevent the spread of life-threatening contagious diseases.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 99 and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs.

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

**SCRep. 1122-00 Health on H.C.R. No. 110**

The purpose of this concurrent resolution is to request the Director of Health to convene a task force to:

- (1) Study the implications of increased access to sterile syringes; and
- (2) Submit a report of the findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2001.

The Department of Health testified in support of this measure.

Research has shown that increased access to sterile syringes does not promote increased drug use. Your Committee notes that while Hawaii law allows for the exchange of sterile syringes to injection drug users through a one-for-one syringe exchange program, needle exchanges are not sufficient to prevent the spread of life-threatening contagious diseases.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 110 and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs.

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

**SCRep. 1123-00 Health and Education on H.R. No. 90**

The purpose of this resolution is to address the problem of head lice, or "uku," in Hawaii's schools by requesting the Department of Health (DOH) and the Department of Education (DOE) to:

- (1) Assess the prevalence of head lice and the current use of chemical treatment for head lice in Hawaii's schools;
- (2) Develop and implement a comprehensive, statewide "Uku Eradication Program"; and
- (3) Submit a report of their actions pursuant to this resolution to the Legislature no later than twenty days prior to the convening of the Regular Session of 2001.

DOH submitted testimony that it does not support this measure because chemical treatment for head lice is not used in any of the DOE schools. Furthermore, DOH believes that the method of treatment families use to treat identified head lice is a matter of family choice.

As affirmed by the records of votes of the members of your Committees on Health and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 90 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami, Morihara, Okamura and Santiago.

**SCRep. 1124-00 Health and Education on H.C.R. No. 101**

The purpose of this concurrent resolution is to address the problem of head lice, or "uku," in Hawaii's schools by requesting the Department of Health (DOH) and the Department of Education (DOE) to:

- (1) Assess the prevalence of head lice and the current use of chemical treatment for head lice in Hawaii's schools;

- (2) Develop and implement a comprehensive, statewide "Uku Eradication Program"; and
- (3) Submit a report of their actions pursuant to this concurrent resolution to the Legislature no later than twenty days prior to the convening of the Regular Session of 2001.

DOH submitted testimony that it does not support this measure because chemical treatment for head lice is not used in any of the DOE schools. Furthermore, DOH believes that the method of treatment families use to treat identified head lice is a matter of family choice.

As affirmed by the records of votes of the members of your Committees on Health and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 101 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami, Morihara, Okamura and Santiago.

**SCRep. 1125-00 Health and Human Services and Housing on H.C.R. No. 51**

The purpose of this concurrent resolution is to address the reduction in the number of long-term care beds in the State by requesting the State Health Planning and Development Agency to require detailed justification from the Hawaii Health Systems Corporation (Corporation) in any certificate of need proposal to reduce long-term care beds.

The AARP Hawaii State Legislative Committee and the Hawaii Government Employees Association testified in support of this concurrent resolution.

Your Committees recognize that Hawaii's increasing elderly population necessitates that action be taken to address concerns regarding any attempt by the Corporation to reduce or eliminate its long-term care beds by moving patients from institutionalism to home- and community-based care.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 51 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami, Santiago and McDermott.

**SCRep. 1126-00 Health and Human Services and Housing on H.C.R. No. 196**

The purpose of this concurrent resolution is to improve access to community services and supports for persons with disabilities by requesting the Governor to establish a task force to develop and implement a statewide, comprehensive, and effective working plan for placing qualified persons with disabilities in the most integrated setting possible and to keep waiting lists that move at a reasonable pace.

The State Planning Council on Developmental Disabilities and the Arc in Hawaii testified in support of this measure. The Department of the Attorney General (AG) opposed this measure. The Department of Health submitted comments.

The AG testified that the State has developed a plan specifically to deal with the Medicaid Home and Community-Based Services for the Developmentally Disabled or Mentally Retarded program wait list, and intends to seek public comment on the plan from existing clients, wait-listed people, the public, disability rights advocates, and providers. Therefore, the AG believes that a separate task force is unnecessary.

The AG also testified that the trial in *Makin v. State* is near, and this concurrent resolution makes findings that may hurt the State's case in the present lawsuit. Additionally, the AG commented that this concurrent resolution also gives incorrect impressions.

Cognizant of the AG concerns and the best interest of the state to convene all its stakeholders and to develop its plan expeditiously, your Committees have amended this measure by:

- (1) Requesting the Governor to develop the plan without the convening of a task force;
- (2) Amending the title of the concurrent resolution to read: "REQUESTING THE GOVERNOR TO DEVELOP AND IMPLEMENT A STATEWIDE, COMPREHENSIVE, AND EFFECTIVE WORKING PLAN FOR PLACING QUALIFIED PERSONS WITH DISABILITIES IN THE MOST INTEGRATED SETTINGS POSSIBLE AND TO KEEP WAITING LISTS THAT MOVE AT A REASONABLE PACE";
- (3) Deleting statements that may be used against the State in pending litigation;

- (4) Including the Housing and Community Development Corporation of Hawaii as one of the organizations that the Governor, in developing the plan, solicit input from; and
- (5) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 196, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 196, H.D. 1.

Signed by all members of the Committees except Representatives Kawakami, Santiago and McDermott.

**SCRep. 1127-00 Human Services and Housing and Health on H.R. No. 152**

The purpose of this resolution is to identify funding sources for the expansion of early childhood education and care services by requesting the Legislative Reference Bureau (LRB), in consultation with the Good Beginnings Alliance (GBA), to research and develop a comprehensive matrix of public and private funding sources available for early childhood education and care services.

GBA testified in support of this measure. LRB submitted comments.

GBA testified that in its discussions with other states and agencies involved with expanding quality services for children eight-year-of-age and younger, it was pointed out that Hawaii could be accessing additional funding. This measure would identify new sources of funding to expand the availability, quality, and accessibility of early childhood education and care services.

Your Committees note that GBA has served, and continues to serve, as a clearinghouse for information and procuring funding of private sources for early childhood education and care services.

Your Committees have amended this measure by:

- (1) Expanding the number of organizations LRB is requested to consult with to include:
  - (A) The Department of Human Services;
  - (B) The Department of Health;
  - (C) The Department of Labor and Industrial Relations;
  - (D) The Department of Education; and
  - (E) Private sector organizations, such as GBA and the Hawaii Association for the Education of Young Children (HAEYC),

to clarify that the beneficiaries of the study is the entire state;
- (2) Changing the title of this resolution to read: "REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO IDENTIFY FUNDING SOURCES FOR THE EXPANSION OF EARLY CHILDHOOD EDUCATION AND CARE SERVICES";
- (3) Transmitting certified copies of the resolution to:
  - (A) The Directors of Health, Human Services, and Labor and Industrial Relations;
  - (B) The Superintendent of Education; and
  - (C) The Executive Director of HAEYC;

and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 152, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 152, H.D. 1.

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

**SCRep. 1128-00 Human Services and Housing and Health on H.C.R. No. 174**



The purpose of this concurrent resolution is to identify funding sources for the expansion of early childhood education and care services by requesting the Legislative Reference Bureau (LRB), in consultation with the Good Beginnings Alliance (GBA), to research and develop a comprehensive matrix of public and private funding sources available for early childhood education and care services.

GBA testified in support of this measure. LRB submitted comments.

GBA testified that in its discussions with other states and agencies involved with expanding quality services for children eight-year-of-age and younger, it was pointed out that Hawaii could be accessing additional funding. This measure would identify new sources of funding to expand the availability, quality, and accessibility of early childhood education and care services.

Your Committees note that GBA has served, and continues to serve, as a clearinghouse for information and procuring funding of private sources for early childhood education and care services.

Your Committees have amended this measure by:

- (1) Expanding the number of organizations LRB is requested to consult with to include:
  - (A) The Department of Human Services;
  - (B) The Department of Health;
  - (C) The Department of Labor and Industrial Relations;
  - (D) The Department of Education; and
  - (E) Private sector organizations, such as GBA and the Hawaii Association for the Education of Young Children (HAEYC),to clarify that the beneficiaries of the study is the entire state;
- (2) Changing the title of this concurrent resolution to read: "REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO IDENTIFY FUNDING SOURCES FOR THE EXPANSION OF EARLY CHILDHOOD EDUCATION AND CARE SERVICES";
- (3) Transmitting certified copies of the concurrent resolution to:
  - (A) The Directors of Health, Human Services, and Labor and Industrial Relations;
  - (B) The Superintendent of Education; and
  - (C) The Executive Director of HAEYC;and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 174, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 174, H.D. 1.

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

**SCRep. 1129-00 Water and Land Use on H.R. No. 171**

The purpose of this resolution is to encourage all state and county agencies to assist Head Start Programs in obtaining land and other resources to increase its local funding and thereby increasing the corresponding federal matching funds.

The Department of Land and Natural Resources (DLNR) offered comments that it is willing to work with State or County agencies to set aside lands to these agencies for Head Start.

Your Committee finds that the Head Start Program serves an important public need in improving the lives of disadvantaged children in Hawaii as well as offering opportunities for career development to families that participate in their program.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 171 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1130-00 Water and Land Use on H.R. No. 130**

The purpose of this resolution is to request the Governor to appoint residents, elected officials, business persons, and representatives of the community and neighborhood boards from the affected areas to a citizens' advisory commission to review the State's Ala Wai Golf Course revitalization plan.

The Office of Planning of the Department of Business, Economic Development and Tourism, Na Leo Pohai and the chair of the Neighborhood Board for Diamond Head/Kapahulu/St. Louis Heights provided testimony in support of the resolution.

Your Committee finds that the interests of the community will be considered and better expressed through an appointed citizens' advisory commission prior to the implementation of the Governor's revitalization plan. The commission will ensure that there is sufficient public input and submit preliminary findings and recommendations to the Governor.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 130, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1131-00 Water and Land Use on H.C.R. No. 148**

The purpose of this resolution is to request the Governor to appoint residents, elected officials, business persons, and representatives of the community and neighborhood boards from the affected areas to a citizens' advisory commission to review the State's Ala Wai Golf Course revitalization plan.

The Office of Planning of the Department of Business, Economic Development and Tourism, Na Leo Pohai and the chair of the Neighborhood Board for Diamond Head/Kapahulu/St. Louis Heights provided testimony in support of the resolution.

Your Committee finds that the interests of the community will be considered and better expressed through an appointed citizens' advisory commission prior to the implementation of the Governor's revitalization plan. The commission will ensure that there is sufficient public input and submit preliminary findings and recommendations to the Governor.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 148, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1132-00 Higher Education on H.R. No. 83**

The purpose of this resolution is to request the development of a ten-year plan for teacher education on the neighbor islands.

Specifically, the College of Education at the University of Hawaii at Manoa (UH), the College of Education at UH-Hilo, the University Centers at the Community Colleges on the islands of Hawaii, Kauai, and Maui, and the Hawaii, Kauai, and Maui Districts of the Department of Education (DOE) are requested to jointly develop a ten-year plan to ensure the continuous offering of teacher education for the neighbor islands, especially in the shortage areas of math, science, special education, "vocational" or "technical" education, and counselor education.

Your Committee received testimony in favor of this measure from the UH, the Hawaii State Teachers Association, and the DOE.

Although the shortage of qualified teachers is reaching a crisis stage on all islands, it is most acute on the neighbor islands due to recruiting difficulties. Even teachers on Oahu are reluctant to accept job positions on the neighbor islands.

Your Committee further finds that one solution for the neighbor islands may be to provide teacher preparation programs on those islands, thus drawing on a population of potential teachers who are unable to attend programs on Oahu, but who are very likely to remain on their home island after obtaining a teaching license.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 83 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1133-00 Higher Education on H.C.R. No. 93**

The purpose of this resolution is to request the development of a ten-year plan for teacher education on the neighbor islands.

Specifically, the College of Education at the University of Hawaii at Manoa (UH), the College of Education at UH-Hilo, the University Centers at the Community Colleges on the islands of Hawaii, Kauai, and Maui, and the Hawaii, Kauai, and Maui Districts of the Department of Education (DOE) are requested to jointly develop a ten-year plan to ensure the continuous offering of teacher education for the neighbor islands, especially in the shortage areas of math, science, special education, "vocational" or "technical" education, and counselor education.

Your Committee received testimony in favor of this measure from the UH, the Hawaii State Teachers Association, and the DOE.

Although the shortage of qualified teachers is reaching a crisis stage on all islands, it is most acute on the neighbor islands due to recruiting difficulties. Even teachers on Oahu are reluctant to accept job positions on the neighbor islands.

Your Committee further finds that one solution for the neighbor islands may be to provide teacher preparation programs on those islands, thus drawing on a population of potential teachers who are unable to attend programs on Oahu, but who are very likely to remain on their home island after obtaining a teaching license.

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

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1134-00 Higher Education on H.R. No. 96**

The purpose of this resolution is to request the University of Hawaii at Hilo to explore the possibility of developing a space camp on the Big Island.

Your Committee received testimony in favor of this measure from the Hawaii Space Grant College, an Associate Professor at the Honolulu Community College, and a number of private citizens. The University of Hawaii at Hilo supported the intent of this measure.

Your Committee finds that the space camp on the Big Island enriches the education of our island youths and adults in science through space science activities, and serves as a marketable techno-tourism program to attract intra-state and out of state visitors to the Big Island.

Your Committee finds that since 1991, Future Flight Hawaii has conducted annual summer space science camps in this state that has attracted over 3,000 students and adults. It has also provided workshops and courses for teachers as well as school programs and community programs.

Accordingly, your Committee has amended this resolution by encouraging that the Space Camp Program be expanded on the Big Island. Your Committee has also amended this measure by:

- (1) Inserting a new Whereas clause that describes the Future Flight Hawaii's program;
- (2) Adding the Department of Business, Economic Development and Tourism to the membership of agencies requested to explore the possibility of expanding a space camp program on the Big Island;
- (3) Changing the title of the resolution to read: "REQUESTING THE HAWAII SPACE GRANT COLLEGE IN CONJUNCTION WITH THE UNIVERSITY OF HAWAII AT HILO, AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO EXPAND THE SPACE CAMP PROGRAM ON THE BIG ISLAND";
- (4) Incorporating the planned Mauna Kea Astronomy Education Center into the Space Camp planning process; and
- (5) Making technical, nonsubstantive amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 96, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 96, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1135-00 Higher Education on H.C.R. No. 107**

The purpose of this concurrent resolution is to request the University of Hawaii at Hilo to explore the possibility of developing a space camp on the Big Island.

Your Committee received testimony in favor of this measure from the Hawaii Space Grant College, an Associate Professor at the Honolulu Community College, and a number of private citizens. The University of Hawaii at Hilo supported the intent of this measure.

Your Committee finds that the space camp on the Big Island enriches the education of our island youths and adults in science through space science activities, and serves as a marketable techno-tourism program to attract intra-state and out of state visitors to the Big Island.

Your Committee finds that since 1991, Future Flight Hawaii has conducted annual summer space science camps in this state that has attracted over 3,000 students and adults. It has also provided workshops and courses for teachers as well as school programs and community programs.

Accordingly, your Committee has amended this concurrent resolution by encouraging that the Space Camp Program be expanded on the Big Island. Your Committee has also amended this measure by:

- (1) Inserting a new Whereas clause that describes the Future Flight Hawaii's program;
- (2) Adding the Department of Business, Economic Development and Tourism to the membership of agencies requested to explore the possibility of expanding a space camp program on the Big Island;
- (3) Changing the title of the concurrent resolution to read: "REQUESTING THE HAWAII SPACE GRANT COLLEGE IN CONJUNCTION WITH THE UNIVERSITY OF HAWAII AT HILO, AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO EXPAND THE SPACE CAMP PROGRAM ON THE BIG ISLAND";
- (4) Incorporating the planned Mauna Kea Astronomy Education Center into the Space Camp planning process; and
- (5) Making technical, nonsubstantive amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 107, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 107, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1136-00 Higher Education on H.R. No. 166**

The purpose of this resolution is to request the development of a plan to relocate the John A. Burns School of Medicine (Medical School) to the Queen Liliuokalani Building and to renovate the Kinau Hale Building in order for the Medical School to be closer to other medical facilities.

The University of Hawaii and the Queen Emma Foundation supported the intent of the measure.

Your Committee finds that there is merit in evaluating the location of the Medical School, especially in light of the strategic plan currently being developed by the Dean of the Medical School. The Queen Liliuokalani Building and the Kinau Hale Building locations should be evaluated as possible locations for the Medical School. However, the evaluation should be accomplished in a more comprehensive manner and therefore no limits should be placed on the available locations to be evaluated.

The resolution has been amended by:

- (1) Adding the University of Hawaii to the membership of agencies formed to develop the plan;
- (2) Requesting that the evaluation not be limited to only two specific buildings;
- (3) Requesting that the plan include relocation recommendations, along with cost, for the current tenants in the buildings being considered for the Medical School;
- (4) Changing the title of the resolution to read, "REQUESTING THAT PLANS BE DEVELOPED TO IDENTIFY POSSIBLE LOCATIONS FOR THE JOHN A. BURNS SCHOOL OF MEDICINE"; and
- (5) Making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 166, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 166, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1137-00 Higher Education on H.C.R. No. 198**

The purpose of this concurrent resolution is to request the development of a plan to relocate the John A. Burns School of Medicine (Medical School) to the Queen Liliuokalani Building and to renovate the Kinau Hale Building in order for the Medical School to be closer to other medical facilities.

The University of Hawaii and the Queen Emma Foundation supported the intent of the measure.

Your Committee finds that there is merit in evaluating the location of the Medical School, especially in light of the strategic plan currently being developed by the Dean of the Medical School. The Queen Liliuokalani Building and the Kinau Hale Building locations should be evaluated as possible locations for the Medical School. However, the evaluation should also be accomplished in a more comprehensive manner and therefore no limits should be placed on the available locations to be evaluated.

The concurrent resolution has been amended by:

- (1) Adding the University of Hawaii to the membership of agencies formed to develop the plan;
- (2) Requesting that the evaluation not be limited to only two specific buildings;
- (3) Requesting that the plan include relocation recommendations, along with cost, for the current tenants in the buildings being considered for the Medical School;
- (4) Changing the title of the resolution to read, "REQUESTING THAT PLANS BE DEVELOPED TO IDENTIFY POSSIBLE LOCATIONS FOR THE JOHN A. BURNS SCHOOL OF MEDICINE"; and
- (5) Making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 198, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 198, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1138-00 Culture and the Arts on H.R. No. 111**

The purpose of this House Resolution is to approve and authorize the establishment of the State-Province relations of friendship between the State of Hawaii and the Province of Thua Thien-Hue of the Socialist Republic of Vietnam.

Testimony in support of this measure was received from the Department of Business, Economic Development and Tourism; the Vietnamese-American Chamber of Commerce; the Association of Vietnam, Cambodia, and Laos; the University of Hawaii at Manoa School of Business Administration; the Chamber of Commerce of Hawaii; and a number of individuals representing various businesses in Hawaii.

Your committee finds that by establishing a State-Province relations of friendship between Hawaii and the Province of Thua Thien-Hue will help solidify many existing relationships and create tremendous economic opportunities for many of Hawaii's businesses.

Your Committee has amended this resolution by:

- (1) Changing the title of the resolution to request the establishment of the State-Province relations of friendship between the State of Hawaii and the Province of Thua Thien-Hue of the Socialist Republic of Vietnam, and deleting the words "approving and authorizing"; and
- (2) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 111, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 111, H.D. 1.

Signed by all members of the Committee except Representative Santiago.

**SCRep. 1139-00 Culture and the Arts on H.C.R. No. 127**

The purpose of this House Concurrent Resolution is to approve and authorize the establishment of the State-Province relations of friendship between the State of Hawaii and the Province of Thua Thien-Hue of the Socialist Republic of Vietnam.

Testimony in support of this measure was received from the Department of Business, Economic Development and Tourism; the Vietnamese-American Chamber of Commerce; the Association of Vietnam, Cambodia, and Laos; the University of Hawaii at

Manoa School of Business Administration; the Chamber of Commerce of Hawaii; and a number of individuals representing various businesses in Hawaii.

Your committee finds that by establishing a State-Province relations of friendship between Hawaii and the Province of Thua Thien-Hue will help solidify many existing relationships and create tremendous economic opportunities for many of Hawaii's businesses.

Your Committee has amended this concurrent resolution by:

- (1) Changing the title of the concurrent resolution to request the establishment of the State-Province relations of friendship between the State of Hawaii and the Province of Thua Thien-Hue of the Socialist Republic of Vietnam, and deleting the words "approving and authorizing"; and
- (2) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 127, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 127, H.D. 1.

Signed by all members of the Committee except Representative Santiago.

**SCRep. Page 1140-00**

**Culture and the Arts on H.C.R. No. 135**

The purpose of this House Concurrent Resolution is to approve and authorize the establishment of a sister state relationship between the State of Hawaii and the Province of Yunnan of the People's Republic of China.

Testimony in support of this measure was received from the Department of Business, Economic Development and Tourism; the University of Hawaii Community Colleges; the Chinese Chamber of Commerce; the Chamber of Commerce of Hawaii; the Nature Conservancy; and the Association of Vietnam, Cambodia, and Laos.

Your committee finds that by establishing a sister state relationship between Hawaii and the Province of Yunnan will foster and strengthen our ties with China, creating tremendous economic opportunities for Hawaii's businesses.

Your Committee has amended this concurrent resolution by:

- (1) Changing the title of the concurrent resolution to request the establishment of a sister state relationship between the State of Hawaii and the Province of Yunnan of the People's Republic of China, and deleting the words "approving and authorizing"; and
- (2) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 135, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 135, H.D. 1.

Signed by all members of the Committee except Representatives Santiago.

**SCRep. 1141-00 Judiciary and Hawaiian Affairs on H.R. No. 46**

The purpose of this resolution is to request the United States Congress and the President to articulate and to implement a federal policy of Native Hawaiian self-government with a distinct, unique, and special trust relationship and to implement reconciliation pursuant to Public Law 103-105.

The Department of Hawaiian Homelands, the Office of Hawaiian Affairs, the Center for Hawaiian Studies at the University of Hawaii at Manoa, the Native Hawaiian Legal Corporation, Ka Lahui Hawaii Political Action Committee, and concerned individuals testified in support of the measure. Hawaiian Political Action Council of Hawaii testified in opposition to the measure.

Your Committee finds that this measure will help in the effort to support the sovereign rights of Native Hawaiians and to recognize the need to develop a government-to-government relationship between a Hawaiian nation and the United States.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 46, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga and Whalen.

**SCRep. 1142-00 Judiciary and Hawaiian Affairs on H.C.R. No. 41**

The purpose of this resolution is to request the United States Congress and the President to articulate and to implement a federal policy of Native Hawaiian self-government with a distinct, unique, and special trust relationship and to implement reconciliation pursuant to Public Law 103-150.

The Department of Hawaiian Homelands, the Office of Hawaiian Affairs, the Center for Hawaiian Studies at the University of Hawaii at Manoa, the Native Hawaiian Legal Corporation, Ka Lahui Hawaii Political Action Committee, and concerned individuals testified in support of the measure. Hawaiian Political Action Council of Hawaii testified in opposition to the measure.

Your Committee finds that this measure will help in the effort to support the sovereign rights of Native Hawaiians and to recognize the need to develop a government-to-government relationship between a Hawaiian nation and the United States.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 41, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga and Whalen.

**SCRep. 1143-00 Judiciary and Hawaiian Affairs on H.R. No. 71**

The purpose of this resolution is to commemorate the centennial anniversary of the passage of the Organic Act, and to encourage all members of the House of Representatives and the Senate of the Twentieth Legislature of the State of Hawaii to gather with the Native Hawaiian community at Iolani Palace on April 30, 2000, to celebrate the occasion.

Testimony in support of this resolution was received from Hawaiian Political Action Council of Hawaii, and concerned individuals.

Your Committee finds that this resolution will serve as a reminder to the United States Congress of its involvement in the creation of the Organic Act.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga and Whalen.

**SCRep. 1144-00 Judiciary and Hawaiian Affairs on H.C.R. No. 27**

The purpose of this resolution is to commemorate the centennial anniversary of the passage of the Organic Act, and to encourage all members of the House of Representatives and the Senate of the Twentieth Legislature of the State of Hawaii to gather with the Native Hawaiian community at Iolani Palace on April 30, 2000, to celebrate the occasion.

Testimony in support of this resolution was received from Hawaiian Political Action Council of Hawaii, and concerned individuals.

Your Committee finds that this resolution will serve as a reminder to the United States Congress of its involvement in the creation of the Organic Act.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 27, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga and Whalen.

**SCRep. 1145-00 Agriculture on H.R. No. 139**

The purpose of this resolution is to request the Department of Agriculture to adopt rules to regulate the importation of cocoa beans into the State for the production of cocoa and chocolate products.

Your Committee received testimonies from the Board of Agriculture and the Honaunau Coffee Company in support of this resolution. The Hawaii Gold Tree, Inc. offered comments on this measure.

Your Committee has amended this resolution by changing the word "cocoa" with the word "cacao".

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 139, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 139, H.D. 1.

Signed by all members of the Committee except Representatives Ahu Isa, Herkes, Morihara, Halford and Whalen.

**SCRep. 1146-00 Agriculture on H.C.R. No. 159**

The purpose of this resolution is to request the Department of Agriculture to adopt rules to regulate the importation of cocoa beans into the State for the production of cocoa and chocolate products.

Your Committee received testimonies from the Board of Agriculture and the Honaunau Coffee Company in support of this concurrent resolution. The Hawaii Gold Tree, Inc. offered comments on this measure.

Your Committee has amended this resolution by changing the word "cocoa" with the word "cacao".

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 159 as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 159, H.D. 1.

Signed by all members of the Committee except Representatives Ahu Isa, Herkes, Morihara, Halford and Whalen.

**SCRep. 1147-00 Culture and the Arts on H.R. No. 172**

The purpose of this House Resolution is to support the Honolulu Japanese Chamber of Commerce in its centennial year.

Testimony in support of this measure was received from the Honolulu Japanese Chamber of Commerce and the Chamber of Commerce of Hawaii.

Your committee finds that the Honolulu Japanese Chamber of Commerce will be celebrating its centennial anniversary with several activities commemorating their rich heritage in serving the diverse economic, social, and cultural needs of four generations of Hawaii's Japanese community.

Your committee has amended this resolution by:

- (1) Changing the title of the resolution by deleting "honoring and";
- (2) Deleting the reference that this body supports the HJCC's efforts to obtain funding through grant-in-aid; and
- (3) Making technical, nonsubstantive changes for purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 172, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 172, H.D. 1.

Signed by all members of the Committee except Representative Santiago.

**SCRep. 1148-00 Culture and the Arts on H.C.R. No. 204**

The purpose of this House Concurrent Resolution is to support the Honolulu Japanese Chamber of Commerce in its centennial year.

Testimony in support of this measure was received from the Honolulu Japanese Chamber of Commerce and the Chamber of Commerce of Hawaii.

Your committee finds that the Honolulu Japanese Chamber of Commerce will be celebrating its centennial anniversary with several activities commemorating their rich heritage in serving the diverse economic, social, and cultural needs of four generations of Hawaii's Japanese community.

Your committee has amended this concurrent resolution by:

- (1) Changing the title of the concurrent resolution by deleting "honoring and";
- (2) Deleting the reference that this body supports the HJCC's efforts to obtain funding through grant-in-aid; and
- (3) Making technical, nonsubstantive changes for purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 204, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 204, H.D. 1.



Signed by all members of the Committee except Representative Santiago.

**SCRep. 1149-00 Finance on S.B. No. 2750**

The purpose of this bill is to ensure that the State's Information Processing Services Program (Program) avoids a payroll deficit during the current fiscal year by approving \$800,000 in emergency appropriations.

The Department of Accounting and General Services (DAGS) testified in support of this bill.

DAGS explained that due to an error in computing billing rates, the State overcharged the federal government in fiscal years 1996-1997 and 1997-1998, for information technology services relating to federal-funded programs. To address this discrepancy, the State has agreed not to charge the federal government the full cost of federal reimbursements in fiscal years 1999-2000 and 2000-2001. However, since most of the federal reimbursements are used to fund the Program's payroll costs, the Program faces a shortfall during the current fiscal year.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2750, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1150-00 Finance on S.B. No. 2858**

The purpose of this bill is to make an emergency appropriation of \$4,075,000 in general funds and \$4,243,025 in federal funds to enable the Department of Human Services (DHS) to reimburse health care providers serving the aged, blind, and disabled.

Testimony in support of this bill was submitted by DHS, Healthcare Association of Hawaii, and Hawaii Long Term Care Association.

DHS testified that it will not be able to meet its fiscal obligations to provide health care services to Medicaid recipients because the Medicaid program will expend all appropriated funds before the end of the current fiscal year. According to DHS, increases in utilization and cost of prescription drugs have contributed to this budget shortfall.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1151-00 Finance on S.B. No. 2877**

The purpose of this bill is to make emergency appropriations of:

- (1) \$17,735,924 out of the general fund;
- (2) \$378,646 out of the Child and Adolescent Mental Health Special Fund; and
- (3) \$38,866 out of the Behavioral Health Administration Special Fund,

to continue services to emotionally disturbed children and adolescents.

Of the funds appropriated, at least ten percent of the funds to be expended for any new treatment or service programs will be expended by the Department of Health (DOH) to conduct process and outcome evaluations of these programs. The process and outcome evaluations are to be conducted by an independent auditor and monitored by the Legislative Auditor.

The Department of Education, DOH, and the Department of the Attorney General testified in support of this bill. The Hawaii Government Employees Association supported the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2877, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1152-00 Finance on S.B. No. 2791**

The purpose of this bill is to make an emergency appropriation of funds to return to the federal government its share of health insurance rate credits and rebates received by the State.

The Department of Budget and Finance testified in support of this bill.

Your Committee has amended this bill by:

- (1) Changing the appropriation amount to \$2,623,718; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2791, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2791, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1153-00 Finance on S.B. No. 2883**

The purpose of this bill is to make an emergency appropriation for additional funds for the State's Medicaid Home and Community Based Care Services for the Developmentally Disabled or Mentally Retarded program (Title XIX waiver program), which is jointly financed by the state and federal government. The additional funding will allow:

- (1) Continued service to existing and additional clients in the Title XIX waiver program; and
- (2) Admission of additional people to the Title XIX waiver program to address the issues raised in Makin v. State of Hawaii, Civil No. 98-00997 DAE.

Testimony in support of this bill was submitted by the State Planning Council On Developmental Disabilities, the Department of Health, the Department of Human Services, and the Arc in Hawaii. The Disability And Communication Access Board supported the intent of this bill.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2883, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2883, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1154-00 Education on H.R. No. 62**

The purpose of this resolution is to adopt and achieve a policy goal that by the year 2004 ninety percent of students in public elementary schools read at or above grade level by the end of the third grade.

Two individuals testified in support of this measure. The Department of Education supported the intent of this measure.

Your Committee finds that by the third grade, educators can accurately predict future academic success or failure based on a student's reading ability at that point. Furthermore, academic failure at middle and high school is often preceded by failure to learn or read at or near grade level.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1155-00 Education on H.C.R. No. 71**

The purpose of this concurrent resolution is to adopt and achieve a policy goal that by the year 2004 ninety percent of students in public elementary schools read at or above grade level by the end of the third grade.

Two individuals testified in support of this measure. The Department of Education supported the intent of this measure.

Your Committee finds that by the third grade, educators can accurately predict future academic success or failure based on a student's reading ability at that point. Furthermore, academic failure at middle and high school is often preceded by failure to learn or read at or near grade level.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 71 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1156-00 Education on H.R. No. 109**

The purpose of this Resolution is to request the Department of Education and representatives of the student council and the Hawaii State Teachers Association to develop a method by which students may provide feedback to teachers regarding their education in the classroom.

Your Committee finds that learning is a two-way process even while the student is the primary learner in the standard educational system. Teachers may have specific educational techniques and subject knowledge, but students may find other methods more conducive to learning. These learning styles may be the result of socio-economic or cultural background. At the present time, there is no formal mechanism for the students to provide feedback to their teachers about how their learning could be enhanced by changes in methodology or teaching style. This Resolution attempts to solve this deficiency.

Your Committee finds that asking the Department of Education along with the teachers' union and involved students working together can produce a process that will be useful and agreeable to all.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 109, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1157-00 Education on H.C.R. No. 124**

The purpose of this Concurrent Resolution is to request the Department of Education and representatives of the student council and the Hawaii State Teachers Association to develop a method by which students may provide feedback to teachers regarding their education in the classroom.

Your Committee finds that learning is a two-way process even while the student is the primary learner in the standard educational system. Teachers may have specific educational techniques and subject knowledge, but students may find other methods more conducive to learning. These learning styles may be the result of socio-economic or cultural background. At the present time, there is no formal mechanism for the students to provide feedback to their teachers about how their learning could be enhanced by changes in methodology or teaching style. This Concurrent Resolution attempts to solve this deficiency.

Your Committee finds that asking the Department of Education along with the teachers' union and involved students working together can produce a process that will be useful and agreeable to all.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 124, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1158-00 Education on H.R. No. 143**

The purpose of this resolution is to urge all public schools to implement a CPR training program for students and require all students to take and pass this CPR training program.

The Honolulu Fire Department, the State Fire Council, the Hawaii State Chapter of the American Red Cross, the American Heart Association-Hawaii Affiliate, the Hawaii Medical Association, and two individuals testified in support of this measure. The Department of Education and Kaiser Permanente supported the intent of this measure. The Department of Health offered comments.

Your Committee finds that states which have mandatory CPR training for high school students have substantially higher survival rates for heart attack and stroke victims. Furthermore, the cost of implementing this program is minimal compared to the lives it will save.

Your Committee has amended this resolution by:

- (1) Requesting that private high schools implement a CPR program for their students;
- (2) Adding the Hawaii Association of Independent Schools to the list of those to receive certified copies of the resolution;  
and

- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 143, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 143, H.D. 1.

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

**SCRep. 1159-00 Education on H.C.R. No. 163**

The purpose of this concurrent resolution is to urge all public schools to implement a CPR training program for students and require all students to take and pass this CPR training program.

The Honolulu Fire Department, the State Fire Council, the Hawaii State Chapter of the American Red Cross, the American Heart Association-Hawaii Affiliate, the Hawaii Medical Association, and two individuals testified in support of this measure. The Department of Education and Kaiser Permanente supported the intent of this measure. The Department of Health offered comments.

Your Committee finds that states which have mandatory CPR training for high school students have substantially higher survival rates for heart attack and stroke victims. Furthermore, the cost of implementing this program is minimal compared to the lives it will save.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that private high schools implement a CPR program for their students;
- (2) Adding the Hawaii Association of Independent Schools to the list of those to receive certified copies of the concurrent resolution; and
- (3) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 163, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 163, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and Santiago.

**SCRep. 1160-00 Education on H.C.R. No. 152**

The purpose of this Concurrent Resolution is to urge each state legislator to establish a close and supportive relationship with schools within their district.

In addition, this Concurrent Resolution:

- (1) Urges legislators to foster a mutually beneficial partnership between schools and businesses and other stakeholders in the community;
- (2) Encourages schools, businesses, and other stakeholders in the community to collaborate in defining their respective roles to effectively support the schools; and
- (3) Asks legislators to utilize their many personal contacts with businesses and other stakeholders within the community to:
  - (A) Assist in providing schools with their unique material needs, including computers, classroom supplies, sports equipment, age-appropriate and educational toys, art supplies, laboratory equipment, playground equipment, and supplementary curriculum materials; and
  - (B) Provide schools with additional human resources, including classroom aides, subject matter experts, chaperones for special activities, tutors, mentors, clerical assistants, and labor for designated projects.

Your Committee received testimony in support of this measure from the Superintendent of Education, the Kauai District Superintendent, the Executive Director of Hawaii School-to-Work, and the President of the Kauai Chamber of Commerce.

Your Committee finds that public schools form the nucleus of many communities. No other public institution plays such a prominent role in the community and affects so many lives as a public school. To ensure that the Legislature and, consequently, state government listen and respond to community needs, state legislators need to establish a close and supportive relationship with schools within their district.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 152, and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Okamura and Santiago.

**SCRep. 1161-00 Economic Development and Business Concerns on H.R. No. 142**

The purpose of this resolution is to request the Legislative Reference Bureau to conduct a study to determine the costs and benefits of suspending the four percent general excise tax for a period of several days each year on clothing and footwear, where the sales price is less than \$100.

The exemption would apply to each article of clothing selling for less than \$100, regardless of how many items are sold and regardless of the total amount of the bill.

The Hawaiian Political Action Council of Hawaii (HPACH), the National Federation of Independent Business, the Retail Merchants of Hawaii, and an individual submitted testimony in support of the measure. The Department of Taxation submitted comments on the measure.

Your Committee notes the testimony of HPACH, which recommends that the tax free holidays be King Kamehameha Day and the birth dates of King Kamehameha II, King Kamehameha III, King Kamehameha IV, King Kamehameha V, King Lunalilo, King Kalakaua, and Queen Liliuokalani.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 142 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay, Ito, Kaho'ohalahala, Halford and Whalen.

**SCRep. 1162-00 Economic Development and Business Concerns on H.C.R. No. 162**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to conduct a study to determine the costs and benefits of suspending the four percent general excise tax for a period of several days each year on clothing and footwear, where the sales price is less than \$100.

The exemption would apply to each article of clothing selling for less than \$100, regardless of how many items are sold and regardless of the total amount of the bill.

The Hawaiian Political Action Council of Hawaii (HPACH), the National Federation of Independent Business, the Retail Merchants of Hawaii, and an individual submitted testimony in support of the measure. The Department of Taxation submitted comments on the measure.

Your Committee notes the testimony of HPACH, which recommends that the tax free holidays be King Kamehameha Day and the birth dates of King Kamehameha II, King Kamehameha III, King Kamehameha IV, King Kamehameha V, King Lunalilo, King Kalakaua, and Queen Liliuokalani.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Abinsay, Ito, Kaho'ohalahala, Halford and Whalen.

**SCRep. 1163-00 Economic Development and Business Concerns on H.C.R. No. 84**

The purpose of this concurrent resolution is to minimize the burden placed by administrative rules on public and private sector productivity and integrate related policies into the administrative rulemaking process by requesting the Director of Commerce and Consumer Affairs to establish a rule drafting policy task force.

The Department of Business, Economic Development, and Tourism testified in support of the measure. The Department of Commerce and Consumer Affairs testified in support of the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 84, and recommends that it be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Abinsay, Ito, Kaho'ohalahala, Halford and Whalen.

**SCRep. 1164-00 Economic Development and Business Concerns on H.R. No. 18**

The purpose of this resolution is to request the Department of Commerce and Consumer Affairs (DCCA), the Board of Public Accountancy, the Hawaii Society of Certified Public Accountants, and the Hawaii Accountants Coalition to cooperatively develop omnibus legislation for the regulation of the profession of certified public accountancy that is consistent with the standards of the American Institute of Certified Public Accountants and the Uniform Accountancy Act as recommended by the National Association of State Boards of Accountancy.

DCCA, the Board of Public Accountancy, the University of Hawaii School of Accountancy, Pricewaterhouse Coopers LLP, the Hawaii Society of Certified Public Accountants, Wachi & Watanabe, CPA, Inc., the Hawaii Accountants Coalition, and Arthur Andersen LLP testified in support of this measure. The National Association of Tax Practitioners testified in support of the intent of this measure.

Your Committee has amended this resolution by:

- (1) Amending its title to read: "REQUESTING THE DEVELOPMENT OF LEGISLATION FOR THE REGULATION OF THE PROFESSION OF CERTIFIED PUBLIC ACCOUNTANCY THAT IS CONSISTENT WITH THE STANDARDS OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND THE UNIFORM ACCOUNTANCY ACT AS RECOMMENDED BY THE NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY";
- (2) Including the Hawaii Chapter of the National Association of Tax Practitioners to participate in the development of such legislation;
- (3) Specifying that a certified copy of the resolution be transmitted to the President of the National Association of Tax Practitioners, Hawaii Chapter; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 18, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.R. No. 18, H.D. 1.

Signed by all members of the Committee except Representatives Abinsay, Ito, Kaho'ohalahala, Halford, whalen.  
(Representative Rath voted no).

**SCRep. 1165-00 Economic Development and Business Concerns on H.C.R. No. 18**

The purpose of this concurrent resolution is to request the Department of Commerce and Consumer Affairs (DCCA), the Board of Public Accountancy, the Hawaii Society of Certified Public Accountants, and the Hawaii Accountants Coalition to cooperatively develop omnibus legislation for the regulation of the profession of certified public accountancy that is consistent with the standards of the American Institute of Certified Public Accountants and the Uniform Accountancy Act as recommended by the National Association of State Boards of Accountancy.

DCCA, the Board of Public Accountancy, the University of Hawaii School of Accountancy, Pricewaterhouse Coopers LLP, the Hawaii Society of Certified Public Accountants, Wachi & Watanabe, CPA, Inc., the Hawaii Accountants Coalition, and Arthur Andersen LLP testified in support of this measure. The National Association of Tax Practitioners testified in support of the intent of this measure.

Your Committee has amended this concurrent resolution by:

- (1) Amending its title to read: "REQUESTING THE DEVELOPMENT OF LEGISLATION FOR THE REGULATION OF THE PROFESSION OF CERTIFIED PUBLIC ACCOUNTANCY THAT IS CONSISTENT WITH THE STANDARDS OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND THE UNIFORM ACCOUNTANCY ACT AS RECOMMENDED BY THE NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY";
- (2) Including the Hawaii Chapter of the National Association of Tax Practitioners to participate in the development of such legislation;
- (3) Specifying that a certified copy of the concurrent resolution be transmitted to the President of the National Association of Tax Practitioners, Hawaii Chapter; and

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

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 18, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 18, H.D. 1.

Signed by all members of the Committee except Representatives Abinsay, Ito, Kaho'ohalahala, Halford and Whalen.  
(Representative Rath voted no).

**SCRep. 1166-00 Education on H.C.R. No. 81**

The purpose of this Concurrent Resolution is to designate the third Friday in September as "Legislators Back-to-School Day in Hawaii."

Your Committee finds that in recent years, interest in government has declined in part, due to a lack of understanding by citizens of our representative form of government and the political process. In response to this national concern, the National Conference of State Legislatures passed a resolution urging State Legislatures to educate and promote civic education. The National Conference of State Legislatures also established "America's Legislators Back-to-School Day" to encourage legislators across the nation to visit schools to talk about their legislatures and observe activities in the schools.

This Concurrent Resolution establishes Hawaii's response to the National Conference of State Legislatures' suggestion by designating the third Friday in September as "Legislators Back-to-School Day in Hawaii." This designation coincides with the Department of Education's Social Studies Content and Performance Standards in Political Science/Civics and represents the beginning of a mutually beneficial collaboration between students and legislators that will result in more actively involved citizens.

Your Committee received favorable testimony from the Superintendent of Education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 81 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Okamura and Santiago.

**SCRep. 1167-00 Education on H.C.R. No. 186**

The purpose of this concurrent resolution is to urge the Department of Education (DOE) to:

- (1) Allow water and ocean-based sports in public schools; and
- (2) Establish outrigger canoe paddling as a sanctioned school sport statewide.

Tesoro Hawaii Corporation, the President of the Hawaii Canoe Racing Association, and several individuals supported this concurrent resolution. The DOE supported the intent of this concurrent resolution.

Your Committee finds that outrigger canoe paddling provides students with a very positive extracurricular activity in which to participate. The success of the two-year pilot project within the Oahu Interscholastic Association has shown that there is significant interest in this traditional Hawaiian sport. However, DOE safety standards regarding ocean activities make the status of outrigger canoe paddling and the ability of the sport to become an official sanctioned sport difficult to determine. Your Committee finds that there should be an exception made to current administrative procedures regarding ocean activities to allow outrigger canoe paddling to become a public school sport on a permanent basis.

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

- (1) Changing the word "urging" in the title to "requiring" to strengthen the purpose of this measure;
- (2) Restricting the scope of the title to only outrigger canoe paddling, and removing references to other water and ocean-based activities so that, as amended, the title reads: REQUIRING THE DEPARTMENT OF EDUCATION AND THE HAWAII HIGH SCHOOL ATHLETIC ASSOCIATION TO ALLOW OUTRIGGER CANOE PADDLING TO BE A SANCTIONED SCHOOL SPORT STATEWIDE;
- (3) Requiring the Hawaii High School Athletic Association (HHSAA) to work with the DOE to establish outrigger canoe paddling as a sanctioned high school sport;
- (4) Mentioning that outrigger canoe paddling is the official state team sport;
- (5) Adding the HHSAA to the list of organizations to whom the concurrent resolution is to be transmitted; and

- (6) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 186, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 186, H.D. 1.

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

**SCRep. 1168-00 Education on H.R. No. 17**

The purpose of this resolution is to request the incorporation of environmental design standards in all new and renovated buildings in public schools and libraries in order to prevent crime.

The Department of Education (DOE) supported the intent of this resolution. The Department of Accounting and General Services (DAGS) supported the intent of this resolution with suggested amendments.

Your Committee finds that environmental design can prevent or significantly reduce crimes on and to property. By implementing design standards in Hawaii's public schools and libraries, student safety can be improved and incidences of vandalism and other crimes against public property can be minimized.

Implementing design standards can have cost implications on renovation and construction projects. Therefore, your Committee has amended this resolution by making the implementation of the design standards contingent upon adequate capital improvement funds being appropriated to allow for their inclusion in the planning, design, and construction of a project.

Because it is important that the user agencies be involved in this matter, your Committee has further amended this measure to request the DOE and the Hawaii State Public Library System to jointly develop the environmental design standards with DAGS.

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

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

**SCRep. 1169-00 Education on H.C.R. No. 17**

The purpose of this concurrent resolution is to request the incorporation of environmental design standards in all new and renovated buildings in public schools and libraries in order to prevent crime.

The Department of Education (DOE) supported the intent of this resolution. The Department of Accounting and General Services (DAGS) supported the intent of this concurrent resolution with suggested amendments.

Your Committee finds that environmental design can prevent or significantly reduce crimes on and to property. By implementing design standards in Hawaii's public schools and libraries, student safety can be improved and incidences of vandalism and other crimes against public property can be minimized.

Implementing design standards can have cost implications on renovation and construction projects. Therefore, your Committee has amended this concurrent resolution by making the implementation of the design standards contingent upon adequate capital improvement funds being appropriated to allow for their inclusion in the planning, design, and construction of a project.

Because it is important that the user agencies be involved in this matter, your Committee has further amended this measure to request the DOE and the Hawaii State Public Library System to jointly develop the environmental design standards with DAGS.

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

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

**SCRep. 1170-00 Water and Land Use on H.C.R. No. 78**

The purpose of this resolution is to request the State Department of Land and Natural Resources (DLNR) to conduct a feasibility study on developing the Seven Falls (Falls) section of the Kolekole Stream and its adjoining areas into a tourist attraction.

DLNR commented that it will be pleased to prepare the requested feasibility study to the extent that it is able, given current staff and funding limitations.



Your Committee finds that the Falls area, with a combined change in elevation of approximately 200 feet, is located on a small tributary of Kolekole Stream. At present, the Falls can viewed only from above, by walking down a trail to the uppermost fall. The Falls offers an old-fashioned family hike to the falls, as well as picnic areas, fishing and swimming. The community envisions an eco-trail leading down to the main Kolekole Stream where visitors can view the Falls from below, rest at small pavilions located at scenic viewpoints and hike upstream or downstream.

The Falls and its surrounding areas, owned by C. Brewer, could be developed in a manner similar to 'Akaka Falls, with picnic areas and a comfort station.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78 and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1171-00 Water and Land Use on H.C.R. No. 192**

The purpose of this resolution is to request the Department of Accounting and General Services (DAGS) to investigate the feasibility of acquiring the No. 1 Capitol District by the State.

DAGS testified in support of the intent of the resolution.

Your Committee finds that due to recent negotiations between the State and the owner of No. 1 Capitol District, a price of \$22 million has been agreed upon, subject to legislative approval and funding. This price falls within the State's appraisal range. In comparing the cost to continue leasing, as opposed to the purchase cost utilizing a 20-year general obligation bond, the savings is estimated to be \$14,376,844 (or \$718,842 per year), if the State purchased the property. If the property were sold to another buyer and the State is required to vacate, it would cost the State approximately \$2 million to \$2.2 million in relocation costs.

Your Committee further finds that DAGS has already negotiated a purchase price which is reasonable and feasible to the State. DAGS is now seeking the necessary funding for the acquisition.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 192, and recommends that it be referred to the Committee on Finance.

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

**SCRep. 1172-00 Water and Land Use on H.R. No. 37**

The purpose of this resolution is to encourage the State of Hawaii to acquire two parcels of land adjacent to Limahuli Stream on Kauai for cultural preservation and incorporation into Ha'ena State Park.

The Department of Land and Natural Resources (DLNR) testified in support of the concept of acquiring the two parcels for inclusion in Ha'ena State Park, as long as it does not adversely affect the Administration's current priorities in the Executive Budget.

A member of the 'Ilio'ulaokalani Coalition, Hui Maka'ainana O'Makana, and the Hanalei River Hui, an assistant professor at the Center for Hawaiian Studies at the University of Hawaii, two archaeologists, National Tropical Botanical Garden, Limahuli Garden and Preserve, Kupuna Mana'o Council on Kauai, and a number of private citizens testified in support of this resolution.

Your Committee finds that there is land located at the entrance of Limahuli Valley on Kauai that is rich with natural, cultural, spiritual and archaeological resources. Two parcels, owned by out-of-state residents, are rich with archaeological sites, significant to the total cultural importance of the area. These parcels have remained untouched until 1998, when the owner removed all trees on these lots, making it clear that development on the property is imminent. The owner of the parcels is not willing to negotiate a land exchange in order to preserve the archaeological sites.

Your Committee amended this resolution by:

- (1) Adding language that the State of Hawaii has the power to acquire interests in real estate for public use;
- (2) Adding language regarding acquisition of resource value lands for public use; and
- (3) Including parties that would either be affected by or have an interest in this land acquisition be sent certified copies of this resolution.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 37, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 37, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1173-00 Water and Land Use on H.R. No. 73**

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to acquire Kawaewae Heiau.

The Queen Emma Hawaiian Civic Club, Charles Ogata (a caretaker of the heiau), and City Councilmember Steve Holmes testified in support of this resolution.

The DLNR supports this resolution, but is pessimistic that an optimistic report will be provided to the legislature prior to the Regular Session of 2001.

Your Committee finds that Kawaewae Heiau is a luakini heiau, the largest and most elaborately built type of heiau, measuring 260 feet by 118 feet. The heiau was constructed during the twelfth century and has been in the process of restoration by various individuals and organizations since 1988. The location of Kawaewae Heiau and its surrounding area was archaeologically surveyed by the Bishop Museum in 1989, revealing several historically significant sites.

The heiau sits on property owned by Hawaiian Memorial Park, who is interested in exchanging the property for land that is owned by the State Department of Transportation.

Your Committee revised this resolution by including language asking the DLNR to pursue placing Kawaewae Heiau on the state Historic Register.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 73, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 73, H.D. 1.

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

**SCRep. 1174-00 Water and Land Use on H.C.R. No. 79**

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) to acquire Kawaewae Heiau.

The Queen Emma Hawaiian Civic Club, Charles Ogata (a caretaker of the heiau), and City Councilmember Steve Holmes testified in support of this resolution.

The DLNR supports this resolution, but is pessimistic that an optimistic report will be provided to the legislature prior to the Regular Session of 2001.

Your Committee finds that Kawaewae Heiau is a luakini heiau, the largest and most elaborately built type of heiau, measuring 260 feet by 118 feet. The heiau was constructed during the twelfth century and has been in the process of restoration by various individuals and organizations since 1988. The location of Kawaewae Heiau and its surrounding area was archaeologically surveyed by the Bishop Museum in 1989, revealing several historically significant sites.

The heiau sits on property owned by Hawaiian Memorial Park, who is interested in exchanging the property for land that is owned by the State Department of Transportation.

Your Committee revised this resolution by including language asking the DLNR to pursue placing Kawaewae Heiau on the state Historic Register.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 79, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 79, H.D. 1.

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

**SCRep. 1175-00 Water and Land Use on H.R. No. 137**

The purpose of the resolution is to request the Department of Land and Natural Resources (DLNR) to negotiate with service providers and the Department of Health (DOH) to determine a reasonable rental fee to improve the infrastructure on the Waimano training school and hospital grounds.

Kokua Mau Center, Home and Community Services of Hawaii, and a concerned mother of a Kokua Mau Center client testified in support of this resolution.

DOH testified in support of the intent of this resolution.

DLNR testified in opposition to this resolution.

Your Committee finds that rental rates charged by the DOH were not sufficient to cover the day-to-day operating and maintenance cost of running the facility. The rental rates are not set at the present time since the rates must be reflective of operational costs, maintenance costs, market rates and occupancy rates. The providers were asked to budget approximately \$1 per square foot as a possible rental rates when DLNR takes over the facilities on July 1, 2000.

Your Committee further finds that DLNR is willing to take the initiative in negotiating with the parties affected but in the face of continued budget cuts, DLNR does not have the funds to support the missions of other State departments, by subsidizing private agencies which provide health services. Without legislative appropriations to pay for the necessary costs, DLNR has no recourse but to charge the Waimano agencies.

Your Committee revised this resolution by:

- (1) Excluding for-profit organizations;
- (2) Deleting the rental fee amount since it reflects only Kokua Mau Work Center;
- (3) Deleting language relating to what DOH has done to maintain the Waimano infrastructure;
- (4) Replacing alternatives for DLNR to consider with language asking that DLNR take the initiative to facilitate discussions with the parties involved; and
- (5) Making technical, non-substantive changes for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 137, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 137, H.D. 1.

Signed by all members of the Committee except Representative Takumi.

**SCRep. 1176-00 Water and Land Use on H.C.R. No. 39**

The purpose of the resolution is to request the Department of Land and Natural Resources (DLNR) to negotiate with service providers and the Department of Health (DOH) to determine a reasonable rental fee to improve the infrastructure on the Waimano training school and hospital grounds.

Kokua Mau Center, Home and Community Services of Hawaii, and a concerned mother of a Kokua Mau Center client testified in support of this resolution.

DOH testified in support of the intent of this resolution.

DLNR testified in opposition to this resolution.

Your Committee finds that rental rates charged by the DOH were not sufficient to cover the day-to-day operating and maintenance cost of running the facility. The rental rates are not set at the present time since the rates must be reflective of operational costs, maintenance costs, market rates and occupancy rates. The providers were asked to budget approximately \$1 per square foot as a possible rental rates when DLNR takes over the facilities on July 1, 2000.

Your Committee further finds that DLNR is willing to take the initiative in negotiating with the parties affected but in the face of continued budget cuts, DLNR does not have the funds to support the missions of other State departments, by subsidizing private agencies which provide health services. Without legislative appropriations to pay for the necessary costs, DLNR has no recourse but to charge the Waimano agencies.

Your Committee revised this resolution by:

- (1) Excluding for-profit organizations;
- (2) Deleting the rental fee amount since it reflects only Kokua Mau Work Center;
- (3) Deleting language relating to what DOH has done to maintain the Waimano infrastructure;
- (4) Replacing alternatives for DLNR to consider with language asking that DLNR take the initiative to facilitate discussions with the parties involved; and
- (5) Making technical, non-substantive changes for the purpose of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 39, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 39, H.D. 1.

Signed by all members of the Committee except Representative Takumi.

**SCRep. 1177-00 Water and Land Use on H.C.R. No. 31**

The purpose of this resolution is to encourage the State of Hawaii to acquire two parcels of land adjacent to Limahuli Stream on Kauai for cultural preservation and incorporation into Ha'ena State Park.

The Department of Land and Natural Resources (DLNR) testified in support of the concept of acquiring the two parcels for inclusion in Ha'ena State Park, as long as it does not adversely affect the Administration's current priorities in the Executive Budget.

A member of the 'Ilio'ulaokalani Coalition, Hui Maka'ainana O'Makana, and the Hanalei River Hui, an assistant professor at the Center for Hawaiian Studies at the University of Hawaii, two archaeologists, National Tropical Botanical Garden, Limahuli Garden and Preserve, Kupuna Mana'o Council on Kauai, and a number of private citizens testified in support of this resolution.

Your Committee finds that there is land located at the entrance of Limahuli Valley on Kauai that is rich with natural, cultural, spiritual and archaeological resources. Two parcels, owned by out-of-state residents, are rich with archaeological sites, significant to the total cultural importance of the area. These parcels have remained untouched until 1998, when the owner removed all trees on these lots, making it clear that development on the property is imminent. The owner of the parcels is not willing to negotiate a land exchange in order to preserve the archaeological sites.

Your Committee amended this resolution by:

- (1) Adding language that the State of Hawaii has the power to acquire interests in real estate for public use;
- (2) Adding language regarding acquisition of resource value lands for public use; and
- (3) Including parties that would either be affected by or have an interest in this land acquisition be sent certified copies of this resolution.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 31, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 31, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1178-00 Health on H.R. No. 4**

The purpose of this resolution is to stop domestic violence before more serious injuries occur by urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, as initial and continuing educational programs, for paramedics in the treatment of domestic violence patients.

The Hawaii State Commission on the Status of Women, the Hawaii Catholic Conference, the Hawaii State Coalition Against Domestic Violence, and the Domestic Violence Clearinghouse and Legal Hotline testified in support of this measure. The Department of Health (DOH) testified in support of the intent of this measure.

Your Committee finds that the Emergency Medical Service (EMS) pre-hospital medical care standards are developed by DOH's EMS medical directors in consultation with emergency physicians statewide. This system of medical oversight ensures that there is continuity in the development of statewide medical care standards appropriate for emergency ambulance services and the delivery of quality pre-hospital medical care.

Your Committee has, therefore, amended this measure by:

- (1) Urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, under the auspices of DOH, for paramedics in the treatment of domestic violence patients;
- (2) Adding provisions explaining the need to develop protocols consistent with EMS pre-hospital medical care;
- (3) Transmitting a copy of the resolution to the Director of Health; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 4, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 4, H.D. 1.

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

**SCRep. 1179-00 Health on H.C.R. No. 5**

The purpose of this concurrent resolution is to stop domestic violence before more serious injuries occur by urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, as initial and continuing educational programs, for paramedics in the treatment of domestic violence patients.

The Hawaii State Commission on the Status of Women, the Hawaii Catholic Conference, the Hawaii State Coalition Against Domestic Violence, and the Domestic Violence Clearinghouse and Legal Hotline testified in support of this measure. The Department of Health (DOH) testified in support of the intent of this measure.

Your Committee finds that the Emergency Medical Service (EMS) pre-hospital medical care standards are developed by DOH's EMS medical directors in consultation with emergency physicians statewide. This system of medical oversight ensures that there is continuity in the development of statewide medical care standards appropriate for emergency ambulance services and the delivery of quality pre-hospital medical care.

Your Committee has, therefore, amended this measure by:

- (1) Urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, under the auspices of DOH, for paramedics in the treatment of domestic violence patients;
- (2) Adding provisions explaining the need to develop protocols consistent with EMS pre-hospital medical care;
- (3) Transmitting a copy of the concurrent resolution to the Director of Health; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 5, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 5, H.D. 1.

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

**SCRep. 1180-00 Health on H.C.R. No. 111**

The purpose of this concurrent resolution is to gather comprehensive and accurate information before making funding decisions for adult mental health services by requesting the State Auditor to conduct a program and financial audit of the Department of Health's (DOH) Adult and Mental Health Division.

The Hawaii Government Employees Association testified in support of this measure. DOH opposed this measure.

The State is currently involved in ongoing litigation regarding the Hawaii State Hospital, and DOH testified that determinations of such findings by the Legislature as found in this concurrent resolution might be used by the U.S. Department of Justice in arguing that the State agreed with these findings. DOH raised concerns about the accuracy of many of the statements made in this measure, as it could be erroneously construed that the State concurred with these statements as findings and fact.

Your Committee has amended this measure by:

- (1) Deleting statements that may be used against the State in pending litigation;
- (2) Requesting that the Auditor's review include information provided directly from those consultants and experts that DOH and the Adult Mental Health Division have consulted with in the development and implementation of programs, services, and activities that have resulted in the requests to the Twentieth Legislature, Regular Session of 2000;
- (3) Requesting that the Auditor consider how other states have successfully dealt with the challenges of deinstitutionalization of persons with mental illness and developmental disabilities, such as Minnesota, Rhode Island, Oregon, Ohio, New York, and Washington; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 111, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 111, H.D. 1.

Signed by all members of the Committee.

**SCRep. 1181-00 Health on H.C.R. No. 193**

The purpose of this concurrent resolution is to urge the United States (U.S.) President and U.S. Congress to lead the nation and immediately address the high cost of prescription drugs for all Americans.

Your Committee notes that prescription drugs are a primary factor in escalating health care costs. It is your Committee's belief that efforts to curb the high cost of prescription drugs would be best addressed at the federal level.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 193 and recommends that it be referred to the Committee on Consumer Protection and Commerce.

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

**SCRep. 1182-00 Health on H.C.R. No. 38**

The purpose of this concurrent resolution is to provide adequate mental health services statewide by requesting the Department of Commerce and Consumer Affairs (DCCA) to review and evaluate the licensing requirements for psychologists, with a view toward increasing the number of licensed psychologists.

Hale Na'au Pono testified in support of this measure. The Hawaii Psychiatric Medical Association testified in support of this measure with suggested amendments. The Department of Health testified in support of the intent of this measure. DCCA submitted comments.

Your Committee has amended this measure by:

- (1) Requesting DCCA to review and evaluate the licensing requirements for psychologists, without a view toward increasing the number of licensed psychologists;
- (2) Changing the title of this concurrent resolution to read: "REQUESTING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO REVIEW AND EVALUATE THE LICENSING REQUIREMENTS FOR PSYCHOLOGISTS";
- (3) Deleting provisions relating to increasing the number of licensed psychologists to meet the needs of the child and adolescent mental health service system; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

The intent of making these amendments is to review the licensure process of psychologists, not to increase the numbers of psychologists. However, your Committee acknowledges that the need to increase the numbers of psychologists may be an outcome of the review.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 38, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce, in the form attached hereto as H.C.R. No. 38, H.D. 1.

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

**SCRep. 1183-00 Energy and Environmental Protection on H.R. No. 75**

The purpose of this resolution is to request the legislative reference bureau to do an assessment of the availability and possible barriers to native plants in local nurseries for use in public landscaping projects and/or commercial projects.

The Department of Land and Natural Resources, the Office of Hawaiian Affairs, Hui Ku Maoli Ola Native Hawaiian Plant Nursery, and one individual testified in support of this concurrent resolution. The legislative reference bureau and one individual offered comments.

Your Committee recognizes that using native plants in public places provides an opportunity to educate people about Hawaii's unique island flora, while nurturing an appreciation for native plants and their cultural significance.

Your Committee finds that barriers exist which prevent the incorporation of native plants in public landscaping and commercial projects, and that government agencies and the private sector need to develop partnerships as a means to eliminate these barriers.

Your Committee further finds that the legislative reference bureau may not be the most appropriate agency to conduct this assessment. Therefore, your Committee has amended this concurrent resolution by replacing references to "the legislative

reference bureau" with "the University of Hawaii Environmental Center" and making technical non-substantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 75, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 75, H.D. 1.

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

**SCRep. 1184-00 Energy and Environmental Protection on H.C.R. No. 83**

The purpose of this concurrent resolution is to request the legislative reference bureau to do an assessment of the availability and possible barriers to native plants in local nurseries for use in public landscaping projects and/or commercial projects.

The Department of Land and Natural Resources, the Office of Hawaiian Affairs, Hui Ku Maoli Ola Native Hawaiian Plant Nursery, and one individual testified in support of this concurrent resolution. The legislative reference bureau and one individual offered comments.

Your Committee recognizes that using native plants in public places provides an opportunity to educate people about Hawaii's unique island flora, while nurturing an appreciation for native plants and their cultural significance.

Your Committee finds that barriers exist which prevent the incorporation of native plants in public landscaping and commercial projects, and that government agencies and the private sector need to develop partnerships as a means to eliminate these barriers.

Your Committee further finds that the legislative reference bureau may not be the most appropriate agency to conduct this assessment. Therefore, your Committee has amended this concurrent resolution by replacing references to "the legislative reference bureau" with "the University of Hawaii Environmental Center" and making technical non-substantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 83, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 83, H.D. 1.

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

**SCRep. 1185-00 Energy and Environmental Protection on H.R. No. 125**

The purpose of this resolution is to request the Department of Land and Natural Resources (DLNR) convene a working group to identify potential sources of permanent dedicated funding and to identify funding needs of the Natural Area Reserves System (NARS).

The DLNR and the Earthjustice Legal Defense Fund testified in support of this resolution.

Your committee has amended this measure by clarifying that:

- (1) The annual operating budget for NARS is woefully inadequate; and
- (2) The active management and protection of NARS, rather than its current operating budget, requires a long-term commitment, permanent dedicated funding, and adequate staff.

Technical, nonsubstantive amendments were also made to correct drafting errors.

Your Committee finds that NARS contains some of the best examples of native ecosystems in the State and efforts to find sources of funding are necessary to ensure that these areas will be preserved for the enjoyment of future generations.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 125, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 125, H.D. 1.

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

**SCRep. 1186-00 Energy and Environmental Protection on H.C.R. No. 143**

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources (DLNR) convene a working group to identify potential sources of permanent dedicated funding and to identify funding needs of the Natural Area Reserves System (NARS).

The DLNR and the Earthjustice Legal Defense Fund testified in support of this concurrent resolution.

Your committee has amended this measure by clarifying that:

- (1) The annual operating budget for NARS is woefully inadequate; and
- (2) The active management and protection of NARS, rather than its current operating budget, requires a long-term commitment, permanent dedicated funding, and adequate staff.

Technical, nonsubstantive amendments were also made to correct drafting errors.

Your Committee finds that NARS contains some of the best examples of native ecosystems in the State and efforts to find sources of funding are necessary to ensure that these areas will be preserved for the enjoyment of future generations.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 143, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 143, H.D. 1.

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

**SCRep. 1187-00 Energy and Environmental Protection on H.R. No. 124**

The purpose of this resolution is to urge the United States government to take appropriate action to address the serious environmental and public health problems posed by toxic wastes left behind at former United States military installations in the Philippines.

The Oahu Filipino Community Council and the Filipino Coalition for Solidarity testified in support of this measure.

Your Committee finds that the lands formerly occupied by United States military bases in the Philippines are contaminated with various toxic wastes that pose a serious risk to those in the area. Furthermore, the United States has a moral obligation to remove the toxic waste and make the land habitable for Filipino citizens.

Your Committee has amended this resolution by adding a WHEREAS clause that recognizes that the Filipino Coalition for Solidarity, Inc., is spearheading the information campaign in Hawaii regarding this issue.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 124, as amended herein, and recommends that it be referred to the Committee on Public Safety and Military Affairs, in the form attached hereto as H.R. No. 124, H.D. 1.

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

**SCRep. 1188-00 Energy and Environmental Protection on H.C.R. No. 141**

The purpose of this concurrent resolution is to urge the United States government to take appropriate action to address the serious environmental and public health problems posed by toxic wastes left behind at former United States military installations in the Philippines.

The Oahu Filipino Community Council and the Filipino Coalition for Solidarity testified in support of this measure.

Your Committee finds that the lands formerly occupied by United States military bases in the Philippines are contaminated with various toxic wastes that pose a serious risk to those in the area. Furthermore, the United States has a moral obligation to remove the toxic waste and make the land habitable for Filipino citizens.

Your Committee has amended this concurrent resolution by adding a WHEREAS clause that recognizes that the Filipino Coalition for Solidarity, Inc., is spearheading the information campaign in Hawaii regarding this issue.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141, as amended herein, and recommends that it be referred to the Committee on Public Safety and Military Affairs, in the form attached hereto as H.C.R. No. 141, H.D. 1.

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

**SCRep. 1189-00 Water and Land Use on H.R. No. 105**

The purpose of this resolution is to request the establishment of a task force to create a master plan for water quality and flood mitigation for Waimanalo.

The Department of Health (DOH) testified in support of the intent of this resolution and offered a proposed amendment.



The Department of Land and Natural Resources (DLNR) and the Department of Agriculture testified in opposition to this resolution.

Your Committee finds that the DOH has been working with Waimanalo community members for over a year on preparing estimates of the maximum amount of sediments that can be discharged into the ocean without adversely affecting water quality. This project, which will include community-generated recommendations for water pollution controls, will be completed by mid-summer of 2000.

Your Committee further finds that this master plan is a duplication of current efforts by the DLNR.

Your Committee amended this resolution by:

- (1) Deleting language that the master plan will address water quality;
- (2) Revising the role of the task force, that the task force will advise DLNR in the development of the master plan;
- (3) Deleting the Director of Health, or the director's representative, from the structure of the task force;
- (3) Adding community groups to the structure of the task force; and
- (4) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 105, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 105, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1190-00 Water and Land Use on H.C.R. No. 120**

The purpose of this resolution is to request the establishment of a task force to create a master plan for water quality and flood mitigation for Waimanalo.

The Department of Health (DOH) testified in support of the intent of this resolution and offered a proposed amendment.

The Department of Land and Natural Resources (DLNR) and the Department of Agriculture testified in opposition to this resolution.

Your Committee finds that the DOH has been working with Waimanalo community members for over a year on preparing estimates of the maximum amount of sediments that can be discharged into the ocean without adversely affecting water quality. This project, which will include community-generated recommendations for water pollution controls, will be completed by mid-summer of 2000.

Your Committee further finds that this master plan is a duplication of current efforts by the DLNR.

Your Committee amended this resolution by:

- (1) Deleting language that the master plan will address water quality;
- (2) Revising the role of the task force, that the task force will advise DLNR in the development of the master plan;
- (3) Deleting the Director of Health, or the director's representative, from the structure of the task force;
- (3) Adding community groups to the structure of the task force; and
- (4) Making technical, nonsubstantive amendments for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 120, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 120, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1191-00 Energy and Environmental Protection on H.R. No. 153**

The purpose of this resolution is to have the Governor issue a directive to promote energy efficiency, water conservation, and use of renewable energy products to help foster markets for emerging technologies.

The Hawaiian Electric Company and Life of the Land testified in support of this resolution.

Your Committee finds that the state government is the largest consumer of energy in Hawaii. This is a good opportunity for the state to take the lead in weaning our economy from its dependency on fossil fuel.

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

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 153, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 153, H.D. 1.

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

**SCRep. 1192-00 Energy and Environmental Protection on H.C.R. No. 175**

The purpose of this concurrent resolution is to have the Governor issue a directive to promote energy efficiency, water conservation, and use of renewable energy products to help foster markets for emerging technologies.

The Hawaiian Electric Company and Life of the Land testified in support of this concurrent resolution.

Your Committee finds that the state government is the largest consumer of energy in Hawaii. This is a good opportunity for the state to take the lead in weaning our economy from its dependency on fossil fuel.

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

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 175, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 175, H.D. 1.

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

**SCRep. 1193-00 Judiciary and Hawaiian Affairs on H.R. No. 6**

The purpose of this resolution is to support the Hawaii State Commission on the Status of Women and its efforts in advancing women's causes.

Testimony in support of this resolution was received from the State Commission on the Status of Women, Civil Rights Commission, Department of Labor and Industrial Relations, Department of Public Safety, City and County of Honolulu Department of Community Services, Hawaii State Coalition Against Domestic Violence, Hawai'i Women Lawyers, The Hawaii Coalition for Affordable Long Term Care, The Sex Abuse Treatment Center, Volunteer Legal Services Hawai'i, and Business and Professional Women/USA.

Your Committee finds that the services provided by the Hawaii State Commission on the Status of Women contribute to the well-being of the community at large and are valuable in furthering social, economic, and political equality for women.

Your Committee has amended this resolution by adding a provision regarding allocation of adequate funding to the Hawaii State Commission on the Status of Women so it will be able to carry out its duties.

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

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1194-00 Judiciary and Hawaiian Affairs on H.C.R. No. 7**

The purpose of this resolution is to support the Hawaii State Commission on the Status of Women and its efforts in advancing women's causes.

Testimony in support of this resolution was received from the State Commission on the Status of Women, Civil Rights Commission, Department of Labor and Industrial Relations, Department of Public Safety, City and County of Honolulu Department of Community Services, Hawaii State Coalition Against Domestic Violence, Hawai'i Women Lawyers, The Hawaii Coalition for Affordable Long Term Care, The Sex Abuse Treatment Center, Volunteer Legal Services Hawai'i, and Business and Professional Women/USA.

Your Committee finds that the services provided by the Hawaii State Commission on the Status of Women contribute to the well-being of the community at large and are valuable in furthering social, economic, and political equality for women.

Your Committee has amended this resolution by adding a provision regarding allocation of adequate funding to the Hawaii State Commission on the Status of Women so it will be able to carry out its duties.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 7, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 7, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1195-00 Judiciary and Hawaiian Affairs on H.C.R. No. 8**

The purpose of this resolution is to request that the Judiciary study the feasibility of establishing a drug court in the Third Circuit.

Testimony in support of this resolution was received from the Judiciary and the Department of Public Safety.

Your Committee finds that there is an immediate need to expand Hawaii's Drug Court program beyond the City and County of Honolulu to address drug use in other areas of the State.

Your Committee has amended this resolution and its title by providing that the drug court sought to be established would serve not just Hilo, but the entire Third Circuit of the State.

Your Committee has further amended this resolution by inserting language providing for the integration of alternative, culturally based methods of rehabilitation into drug court treatment.

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

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1196-00 Judiciary and Hawaiian Affairs on H.C.R. No. 57**

The purpose of this resolution is to request the Legislative Reference Bureau to study the proliferating body of legislation in the field of criminal history checks.

The Department of the Attorney General, the Hawaii Civil Rights Commission and the Sex Abuse Treatment Center testified in support of the measure.

Your Committee finds that a comprehensive review of the issues concerning criminal history record checks will help bring consistency to the growing body of piecemeal legislation on criminal history record checks.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 57, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1197-00 Water and Land Use on H.R. No. 117**

The purpose of this resolution is to request the Hawaii Tourism Authority (HTA) to conduct a survey of all State Park restrooms, evaluate their conditions and determine the impacts caused by tourist usage.

The Department of Land and Natural Resources (DLNR) and the Limu Coalition testified in support of this resolution.

The HTA supports the intent of this resolution.

Your Committee finds that every day, hundreds of residents and visitors utilize our State Parks. Unfortunately, due mainly to the high volume of visitor traffic, park-goers sometimes encounter State Park restroom facilities that are unclean, putrid-smelling, and not functioning properly. From this encounter, a visitor's positive impression may be changed by one bad experience, which subsequently may leave a lasting negative impression about how Hawaii's people care for their land and waters.

Your Committee amended this resolution by:

- (1) Adding that the DLNR will work with the HTA on discussing the conditions of State park restroom facilities;
- (2) Specifically targeting State Parks that are most frequented by visitors; and
- (3) Making technical, nonsubstantive amendments to the bill for the purposes of style and clarity.

The discussion will include but will not be limited to Kokee, Waimea Canyon, Wailua River, Ha'ena, Diamond Head, Iao Valley, Makena, Kaunahina Wayside, Pua Kaa Wayside and Kealahou.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 117, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 117, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1198-00 Water and Land Use on H.C.R. No. 133**

The purpose of this resolution is to request the Hawaii Tourism Authority (HTA) to conduct a survey of all State Park restrooms, evaluate their conditions and determine the impacts caused by tourist usage.

The Department of Land and Natural Resources (DLNR) and the Limu Coalition testified in support of this resolution.

The HTA supports the intent of this resolution.

Your Committee finds that every day, hundreds of residents and visitors utilize our State Parks. Unfortunately, due mainly to the high volume of visitor traffic, park-goers sometimes encounter State Park restroom facilities that are unclean, putrid-smelling, and not functioning properly. From this encounter, a visitor's positive impression may be changed by one bad experience, which subsequently may leave a lasting negative impression about how Hawaii's people care for their land and waters.

Your Committee amended this resolution by:

- (1) Adding that the DLNR will work with the HTA on discussing the conditions of State park restroom facilities;
- (2) Specifically targeting State Parks that are most frequented by visitors; and
- (3) Making technical, nonsubstantive amendments to the bill for the purposes of style and clarity.

The discussion will include but will not be limited to Kokee, Waimea Canyon, Wailua River, Ha'ena, Diamond Head, Iao Valley, Makena, Kaunahina Wayside, Pua Kaa Wayside and Kealahou.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 133, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 133, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1199-00 Judiciary and Hawaiian Affairs on H.R. No. 80**

The purpose of this resolution is to urge Liberty Newspapers to continue publication of the Honolulu Star-Bulletin, to cease its efforts to terminate the current joint operating agreement with the Honolulu Advertiser, and to actively seek a buyer for the Star-Bulletin.

The Hawaii Newspaper Guild, Save Our Star-Bulletin, the Honolulu Community-Medial Council, the Hawaii Public Interest Advocate, and concerned individuals testified in support of this measure.

Your Committee finds that preserving publication of separate and independent daily newspapers in the community promotes healthy competition in news reporting and frank discussion in editorial comments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 80, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1200-00 Judiciary and Hawaiian Affairs on H.C.R. No. 87**

The purpose of this resolution is to urge Liberty Newspapers to continue publication of the Honolulu Star-Bulletin, to cease its efforts to terminate the current joint operating agreement with the Honolulu Advertiser, and to actively seek a buyer for the Star-Bulletin.

The Hawaii Newspaper Guild, Save Our Star-Bulletin, the Honolulu Community-Medial Council, the Hawaii Public Interest Advocate, and concerned individuals testified in support of this measure.

Your Committee finds that preserving publication of separate and independent daily newspapers in the community promotes healthy competition in news reporting and frank discussion in editorial comments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 87, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

#### **SCRep. 1201-00 Ocean Recreation and Marine Resources on H.R. No. 91**

The purpose of this measure is to request that the National Marine Fisheries Service close the Northwestern Hawaiian Islands lobster fishery for at least three years, so that the Hawaiian monk seal, a critically endangered marine mammal is given every opportunity to survive.

Testimony in support of this measure was given by the Midway Atoll National Wildlife Refuge, U. S. Fish and Wildlife Service, the Earthjustice Legal Defense Fund, the Hawaiian Political Action Council of Hawaii, and two individuals. Testimony in opposition was submitted by the Western Pacific Regional Fishery Management Council and two individuals.

Your Committee finds that the Hawaiian monk seal is one of the most endangered marine mammals on earth and is site-specific to the Hawaiian Islands, and that the monk seal population at the French Frigate Shoals in the Northwestern Hawaiian Islands is presently in sharp decline due to the increasing scarcity of its food supply. Your Committee further finds that lobster is an important food item for the Hawaiian monk seal, and that as a result of overfishing in the 1980's, lobster stocks have declined significantly. There are now only about 1,300 to 1,400 Hawaiian monk seals left on earth, and juvenile seals are starving to death.

Your Committee concurs with the the Marine Mammal Commission, the Hawaiian Monk Seal Recovery Team, and the Fishery Rights of Indigenous People Advisory Panel to the Western Pacific Regional Management Council in their request for the closure of the Northwestern Hawaiian Islands lobster fishery as a necessary immediate strategy to ensure that the Hawaiian monk seal's population will not diminish further and that this species will indeed have a chance to survive.

This measure requests that the National Marine Fisheries Service close the Northwestern Hawaiian Islands lobster fishery for at least three years, so that this critically-endangered marine mammal can be given every opportunity to survive.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.R. 91 and recommends its adoption.

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

#### **SCRep. 1202-00 Ocean Recreation and Marine Resources on H.C.R. No. 102**

The purpose of this measure is to request that the National Marine Fisheries Service close the Northwestern Hawaiian Islands lobster fishery for at least three years, so that the Hawaiian monk seal, a critically endangered marine mammal is given every opportunity to survive.

Testimony in support of this measure was given by the Midway Atoll National Wildlife Refuge of the U.S. Fish and Wildlife Service, the Earthjustice Legal Defense Fund, the Hawaiian Political Action Council of Hawaii, and two individuals. Testimony in opposition was submitted by the Western Pacific Regional Fishery Management Council, and two individuals.

Your Committee finds that the Hawaiian monk seal is one of the most endangered marine mammals on earth and is site-specific to the Hawaiian Islands, and that the monk seal population at the French Frigate Shoals in the Northwestern Hawaiian Islands is presently in sharp decline due to the increasing scarcity of its food supply. Your Committee further finds that lobster is an important food item for the Hawaiian monk seal, and that as a result of overfishing in the 1980's, lobster stocks have declined significantly. There are now only about 1,300 to 1,400 Hawaiian monk seals left on earth, and juvenile seals are starving to death.

Your Committee concurs with the the Marine Mammal Commission, the Hawaiian Monk Seal Recovery Team, and the Fishery Rights of Indigenous People Advisory Panel to the Western Pacific Regional Management Council in their request for the closure of the Northwestern Hawaiian Islands lobster fishery as a necessary immediate strategy to ensure that the Hawaiian monk seal's population will not diminish further and that this species will indeed have a chance to survive.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. 102 and recommends its adoption.

Signed by all members of the Committee except Representatives Garcia and Kanohe.  
(Representative Meyer voted no).

**SCRep. 1203-00 Consumer Protection and Commerce on H.C.R. No. 75**

The purpose of this concurrent resolution is to:

- (1) Urge Hawaii's counties to revise their building code provisions pertaining to accessibility for persons with disabilities;
- (2) Urge the convening of an interagency meeting to facilitate the dissemination and exchange of information necessary to bring about these building code revisions; and
- (3) Urge the counties to submit a status report to the Legislature prior to the Regular Session of 2001 regarding the revision of accessibility guidelines in their building codes.

Testimony in strong support for this concurrent resolution was submitted by the Hawaii Center for Independent Living and the American Institute of Architects Hawaii State Council.

The Disability and Communication Access Board submitted commentary on this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 75, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Herkes, Hiraki, Takumi, Yoshinaga and Halford.

**SCRep. 1204-00 Agriculture on H.R. No. 44**

The purpose of this resolution is to request that the Twentieth Legislature of the State of Hawaii, Regular Session of 2000, support the responsible use of modern biotechnology to benefit the people of Hawaii, the nation, and the world, and the global environment through high yield agriculture production requiring the reduced use of farm inputs and acreage.

Your committee recognizes the benefits of biotechnology and the impact that it can have on the growth of agriculture in Hawaii, the U.S. mainland, the world, and its environment when this technology is used in a responsible manner.

Testimony in support of this measure was received from the University of Hawaii College of Tropical Agriculture and Human Resources, the Hawaii Farm Bureau Federation, the Maui County Farm Bureau, the Hawaii Agriculture Research Center, the Pineapple Growers Association of Hawaii, the Grocery Manufacturers of America, Rescue Hawaii, Garst, Alexander & Baldwin, Inc., and a concerned individual. The Department of Agriculture (DOA) supports the intent of this resolution.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 44, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 44, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1205-00 Agriculture on H.C.R. No. 37**

The purpose of this concurrent resolution is to request that the Twentieth Legislature of the State of Hawaii, Regular Session of 2000, support the responsible use of modern biotechnology to benefit the people of Hawaii, the nation, and the world, and the global environment through high yield agriculture production requiring the reduced use of farm inputs and acreage.

Your committee recognizes the benefits of biotechnology and the impact that it can have on the growth of agriculture in Hawaii, the U.S. mainland, the world, and its environment when this technology is used in a responsible manner.

Testimony in support of this measure was received from the University of Hawaii College of Tropical Agriculture and Human Resources, the Hawaii Farm Bureau Federation, the Maui County Farm Bureau, the Hawaii Agriculture Research Center, the Pineapple Growers Association of Hawaii, the Grocery Manufacturers of America, Rescue Hawaii, Garst, Alexander & Baldwin, Inc., and a concerned individual. The Department of Agriculture (DOA) supports the intent of this resolution.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 37, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 37, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1206-00 Water and Land Use on H.R. No. 116**

The purpose of this resolution is to encourage the State Department of Hawaiian Home Lands (DHHL) and the Department of Transportation (DOT) to work cooperatively to allow public access to Haiku Stairs.

DHHL testified that it has no objection to the substance of this resolution.

Your Committee finds that DHHL has acquired from the federal government a portion of the lands underlying Haiku Stairs. DHHL has obtained its Haiku lands for development to further the purposes of the Hawaiian Homes Commission Act.

DHHL, which recognizes the recreational value of Haiku Stairs, will accommodate reasonable access to that part of the Stairs which is on DHHL property, provided that the Stairs are deemed to be safe for public use and there is adequate indemnification from liability. Some users are crossing Hawaiian home lands without authorization to get to the Stairs.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 116 and recommends its adoption.

Signed by all members of the Committee except Representatives Garcia, Takumi and Meyer.

**SCRep. 1207-00 Water and Land Use on H.C.R. No. 132**

The purpose of this resolution is to encourage the State Department of Hawaiian Home Lands (DHHL) and the Department of Transportation (DOT) to work cooperatively to allow public access to Haiku Stairs.

DHHL testified that it has no objection to the substance of this resolution.

Your Committee finds that DHHL has acquired from the federal government a portion of the lands underlying Haiku Stairs. DHHL has obtained its Haiku lands for development to further the purposes of the Hawaiian Homes Commission Act.

DHHL, which recognizes the recreational value of Haiku Stairs, will accommodate reasonable access to that part of the Stairs which is on DHHL property, provided that the Stairs are deemed to be safe for public use and there is adequate indemnification from liability. Some users are crossing Hawaiian home lands without authorization to get to the Stairs.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 132 and recommends its adoption.

Signed by all members of the Committee except Representatives Garcia, Takumi and Meyer.

**SCRep. 1208-00 Water and Land Use on H.C.R. No. 55**

The purpose of this resolution is to request that the Hawaii Community Development Authority (HCDA) provide status report on the relocation of the City and County of Honolulu's baseyard facilities from the Kakaako makai area to allow for the redevelopment of a vital waterfront area for the use of Hawaii's residents.

The HCDA testified in support of this resolution.

Your Committee finds that HCDA is willing to provide update upon request from the Legislature. The relocation of the City and County of Honolulu's baseyards from Kakaako Makai is a high priority of HCDA, who will continue to aggressively pursue the completion of the relocation plan.

Your Committee further finds that although the City has vacated two baseyard sites since October 1997, the City intends to complete the relocation tentatively by August 2001.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 55, and recommends its adoption.

Signed by all members of the Committee except Representatives Garcia, Takumi and Meyer.

**SCRep. 1209-00 Consumer Protection and Commerce on S.B. No. 2283**

The purpose of this bill is to authorize the Public Utilities Commission (PUC) to require parties in PUC proceedings to participate in non-binding alternative dispute resolution measures prior to hearing.

The PUC and Malama O Manoa testified in support of this bill. The Division of Consumer Advocacy, GTE, Kauai Electric and the Gas Company submitted testimony in support of the intent of this measure. The Hawaiian Electric Company, Inc., commented on the bill.

Your Committee has amended this bill by delaying the effective date to July 1, 2050 to ensure further discussions.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2283, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2283, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1210-00 Consumer Protection and Commerce on S.B. No. 2766**

The purpose of this measure is to clarify that projects created and established as condominium property regimes:

- (1) Are subject to the county land use regulatory authority;
- (2) Must conform to provisions of underlying county zoning ordinances and development requirements; and
- (3) Are consistent with the intent of adopted county land use policies and the state land use law.

Testimony in support of this measure was submitted by Hawaii's Thousand Friends, two council members of the Hawaii County Council, and a private citizen. The Office of Planning of the Department of Business, Economic Development & Tourism and the four County Planning Directors, submitted joint testimony with proposed amendments, in support of the bill. The Real Estate Commission of the Department of Commerce and Consumer Affairs (Commission) submitted testimony, with suggested amendments, supporting the intent of the bill. Testimony in opposition to this measure was submitted by the Hawaii Association of Realtors.

Your Committee notes that a similar bill, H.B. No. 2509, H.D. 1, passed the House earlier this session after a hearing before your Committee.

After careful consideration, your Committee has amended this bill by incorporating certain technical, nonsubstantive provisions from H.B. No. 2509, H.D. 1 as suggested by the Commission by:

- (1) Replacing the word "intent" with the word "purposes" in sections 1 and 2, inasmuch as the term "purposes" is less ambiguous and more easily ascertained; and
- (2) Clarifying that the penalty for a false declaration is set forth in Section 514A-49(b).

Other technical, nonsubstantive amendments were made to the bill for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2766, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2766, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1211-00 Human Services and Housing and Education on H.R. No. 63**

The purpose of this resolution is to follow-up on a plan for quality voluntary early childhood education and care by urging the Department of Education (DOE) to proceed with all speed in the final planning and implementation of Act 367, Session Laws of Hawaii (SLH) 1989.

DOE submitted comments.

Over ten years ago, Act 367, SLH 1989, required DOE to develop a plan for quality voluntary early childhood education and care that should have been fully implemented and available statewide to all eligible children no later than January 1, 2000. The deadline has now passed with neither the required implementation nor any explanation from DOE.

Your Committees note that the Good Beginnings Alliance (GBA), a critical link for early childhood education and care efforts and a focal point for policy development, disbursement of public funds, and implementation of early childhood community plans, was not in existence when Act 367, SLH 1989, was effectuated. With the establishment of GBA, your Committees believe that DOE can work collaboratively to better follow through with this legislative request.



Your Committees have amended this measure by:

- (1) Requesting DOE to collaborate with GBA and the Hawaii Association for the Education of Young Children (HAEYC) to submit a status report of efforts to implement all of the requirements of Act 367, SLH 1989;
- (2) Requiring that copies of the resolution be transmitted to the Executive Directors of GBA and HAEYC; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 63, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 63, H.D. 1.

Signed by all members of the Committees except Representatives Kawakami, Okamura, Takai, Santiago and McDermott.

**SCRep. 1212-00 Human Services and Housing and Education on H.C.R. No. 72**

The purpose of this concurrent resolution is to follow-up on a plan for quality voluntary early childhood education and care by urging the Department of Education (DOE) to proceed with all speed in the final planning and implementation of Act 367, Session Laws of Hawaii (SLH) 1989.

DOE submitted comments.

Over ten years ago, Act 367, SLH 1989, required DOE to develop a plan for quality voluntary early childhood education and care that should have been fully implemented and available statewide to all eligible children no later than January 1, 2000. The deadline has now passed with neither the required implementation nor any explanation from DOE.

Your Committees note that the Good Beginnings Alliance (GBA), a critical link for early childhood education and care efforts and a focal point for policy development, disbursement of public funds, and implementation of early childhood community plans, was not in existence when Act 367, SLH 1989, was effectuated. With the establishment of GBA, your Committees believe that DOE can work collaboratively to better follow through with this legislative request.

Your Committees have amended this measure by:

- (1) Requesting DOE to collaborate with GBA and the Hawaii Association for the Education of Young Children (HAEYC) to submit a status report of efforts to implement all of the requirements of Act 367, SLH 1989;
- (2) Requiring that copies of the concurrent resolution be transmitted to the Executive Directors of GBA and HAEYC; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 72, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 72, H.D. 1.

Signed by all members of the Committees except Representatives Kawakami, Okamura, Takai, Santiago and McDermott.

**SCRep. 1213-00 Human Services and Housing on H.R. No. 65**

The purpose of this resolution is to bring resolution to the whereabouts of "Peter Boy" Kema by requesting the Department of the Attorney General (AG) and the U.S. Department of Justice (DOJ) to investigate the missing person case of "Peter Boy" Kema.

Several individuals testified in support of this measure. The AG submitted comments.

While an investigation is currently being conducted by the Hawaii County Police Department, there has been no progress in the case. Your Committee is requesting the assistance of the AG and DOJ in bringing this case to a close.

Your Committee has amended this measure by:

- (1) Requesting the DOJ's assistance in submitting a report of any findings about the case that can be made public without jeopardizing the progress of the case to the Legislature;
- (2) Requiring the transmittal of certified copies of this resolution to Hawaii's Congressional Delegation; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 65, as amended herein, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs, in the form attached hereto as H.R. No. 65, H.D. 1.

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

**SCRep. 1214-00 Human Services and Housing on H.C.R. No. 74**

The purpose of this concurrent resolution is to bring resolution to the whereabouts of "Peter Boy" Kema by requesting the Department of the Attorney General (AG) and the U.S. Department of Justice (DOJ) to investigate the missing person case of "Peter Boy" Kema.

Several individuals testified in support of this measure. The AG submitted comments.

While an investigation is currently being conducted by the Hawaii County Police Department, there has been no progress in the case. Your Committee is requesting the assistance of the AG and DOJ in bringing this case to a close.

Your Committee has amended this measure by:

- (1) Requesting the DOJ's assistance in submitting a report of any findings about the case that can be made public without jeopardizing the progress of the case to the Legislature;
- (2) Requiring the transmittal of certified copies of this concurrent resolution to Hawaii's Congressional Delegation; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 74, as amended herein, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs, in the form attached hereto as H.C.R. No. 74, H.D. 1.

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

**SCRep. 1215-00 Health on H.R. No. 134**

The purpose of this resolution is to request a plan to improve emergency services in the Hana, Maui, community.

The Department of Health offered comments on this bill.

Your Committee finds that currently, residents and tourists in Hana, Maui must sometimes wait as long as eight hours for medical transport to the local hospital. Furthermore, after-hour emergency personnel are lacking and increased physician coverage is needed when people need more services than paramedics can provide. Developing a plan to improve emergency services is the first step in rectifying these shortcomings.

Your Committee has amended this measure by deleting provisions convening a working group to develop the plan. Other technical, nonsubstantive amendments were also made for consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 134, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 134, H.D. 1.

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

**SCRep. 1216-00 Health on H.C.R. No. 155**

The purpose of this concurrent resolution is to request a plan to improve emergency services in the Hana, Maui, community.

The Department of Health offered comments on this bill.

Your Committee finds that currently, residents and tourists in Hana, Maui must sometimes wait as long as eight hours for medical transport to the local hospital. Furthermore, after-hour emergency personnel are lacking and increased physician coverage is needed when people need more services than paramedics can provide. Developing a plan to improve emergency services is the first step in rectifying these shortcomings.

Your Committee has amended this measure by deleting provisions convening a working group to develop the plan. Other technical, nonsubstantive amendments were also made for consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 155, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 155, H.D. 1.

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

**SCRep. 1217-00 Economic Development and Business Concerns and Higher Education on H.R. No. 86**

The purpose of this resolution is to request the Hawaii Institute for Public Affairs (HIPA) to conduct a public policy report on Hawaii's strategic environmental, human, and technological resources and capabilities, focusing on activities that can be initiated currently but whose impacts will mainly be felt in the formation of a New Economy.

The Hawaii State Commission on the Status of Women, the University of Hawaii Professional Assembly, HIPA, the Hawaii Association of REALTORS, Salomon Smith Barney, Inc., and several individuals testified in support of the measure. The High Technology Development Corporation testified in support of the intent of the measure. The Department of Commerce and Consumer Affairs submitted comments on this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 86 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Abinsay, Kaho'ohalahala, Okamura, Stegmaier, Halford, Leong and Whalen.

**SCRep. 1218-00 Economic Development and Business Concerns and Higher Education on H.C.R. No. 96**

The purpose of this concurrent resolution is to request the Hawaii Institute for Public Affairs (HIPA) to conduct a public policy report on Hawaii's strategic environmental, human, and technological resources and capabilities, focusing on activities that can be initiated currently but whose impacts will mainly be felt in the formation of a New Economy.

The Hawaii State Commission on the Status of Women, the University of Hawaii Professional Assembly, HIPA, the Hawaii Association of REALTORS, Salomon Smith Barney, Inc., and several individuals testified in support of the measure. The High Technology Development Corporation testified in support of the intent of the measure. The Department of Commerce and Consumer Affairs submitted comments on this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 96 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Abinsay, Kaho'ohalahala, Okamura, Stegmaier, Halford, Leong and Whalen.

**SCRep. 1219-00 Health and Public Safety and Military Affairs on H.R. No. 68**

The purpose of this resolution is to request the State Health Planning and Development Agency to require a social impact statement to be submitted for any proposed mental health, public safety, or similar use in a community.

The Community Alliance on Prisons and a concerned individual testified in support of this resolution. The Momilani Parent Teacher Student Association testified in support of the intent of this resolution. The State Health Planning and Development Agency submitted testimony commenting on this resolution and suggesting amendments.

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

- (1) Replacing the word "use" with the word "youth facility" in the title of the resolution;
- (2) Replacing the word "use" with the word "youth facilities" on page 2, line 5, along with minor changes to the associated phrasing to make it consistent with page 2, lines 12-13;
- (3) Replacing the word "use" with the word "youth facilities" on page 2, line 13 of the resolution;
- (4) Inserting a new paragraph into page 2, lines 15-22, as recommended by the State Health Planning and Development Agency; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 68, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 68, H.D. 1.

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

**SCRep. 1220-00 Health and Public Safety and Military Affairs on H.C.R. No. 77**

The purpose of this concurrent resolution is to request the State Health Planning and Development Agency to require a social impact statement to be submitted for any proposed mental health, public safety, or similar use in a community.

The Community Alliance on Prisons and a concerned individual testified in support of this resolution. The Momilani Parent Teacher Student Association testified in support of the intent of this resolution. The State Health Planning and Development Agency submitted testimony commenting on this resolution and suggesting amendments.

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

- (1) Replacing the word "use" with the word "youth facility" in the title of the resolution;
- (2) Replacing the word "use" with the word "youth facilities" on page 2, line 5, along with minor changes to the associated phrasing to make it consistent with page 2, lines 12-13;
- (3) Replacing the word "use" with the word "youth facilities" on page 2, line 13 of the resolution;
- (4) Inserting a new paragraph into page 2, lines 15-22, as recommended by the State Health Planning and Development Agency; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 77, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 77, H.D. 1.

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

**SCRep. 1221-00 Agriculture on H.R. No. 147**

The purpose of this resolution is to urge the University of Hawaii and the Department of Agriculture to meet and develop ways of streamlining the safe and efficient importation of microorganisms for research projects. This resolution further requests that the University of Hawaii reports progress on this task to the Legislature no later than twenty days before the convening of the Regular Session of 2001.

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

Signed by all members of the Committee except Representative Ito.

**SCRep. 1222-00 Agriculture on H.C.R. No. 169**

The purpose of this resolution is to urge the University of Hawaii and the Department of Agriculture to meet and develop ways of streamlining the safe and efficient importation of microorganisms for research projects. This resolution further requests that the University of Hawaii reports progress on this task to the Legislature no later than twenty days before the convening of the Regular Session of 2001.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 169, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ito.

**SCRep. 1223-00 Education on H.R. No. 106**

The purpose of this resolution, as received by your Committee, is to encourage the Board of Education in conjunction with the Department of Accounting and General Services to provide recycling bins to Keaau Middle School and other schools statewide.

For purposes of public hearing, your Committee circulated a proposed H.D. 1 version of this resolution, which deleted the substance of the resolution and instead requested the Department of Education (DOE) to develop a plan for the delivery of speech and language services that:

- (1) Is consistent with the comprehensive student support system;
  - (2) Limits speech pathologist caseloads, taking into account the type and severity of disabilities of students being serviced and the resultant amount of services required;
  - (3) Determines the number of speech pathologists and communication aides needed;
  - (4) Includes a timetable for the full implementation of the plan;
  - (5) Includes a budget for the full implementation of the plan;
  - (6) Explains the method of determining:
    - (A) The number of speech pathologists and communication aides needed;
    - (B) The timetable for implementation; and
    - (C) The budget for implementation;
- and
- (7) Is developed in consultation with the Hawaii Speech-Language-Hearing Association Public School Caucus.

The Hawaii Government Employees Association, Hawaii Speech-Language-Hearing Association, and several individuals supported the proposed draft. The DOE supported the intent of the proposed draft.

Your Committee finds that DOE speech pathologists routinely carry extremely large caseloads. They are unable to provide optimal service to their students because of this. A comprehensive plan for alleviating the burden placed on speech pathologists in the DOE needs to be developed so that a fiscally feasible solution can be determined.

Upon further consideration, your Committee has amended this resolution by deleting its contents and inserting the provisions of the proposed H.D. 1 with some technical, nonsubstantive revisions for purposes of style and clarity.

As amended, the title of the resolution now reads, "REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP A PLAN FOR THE DELIVERY OF SPEECH AND LANGUAGE SERVICES THAT IS CONSISTENT WITH ITS COMPREHENSIVE STUDENT SUPPORT SYSTEM."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 106, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 106, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

**SCRep. 1224-00 Education on H.C.R. No. 121**

The purpose of this concurrent resolution, as received by your Committee, is to encourage the Board of Education in conjunction with the Department of Accounting and General Services to provide recycling bins to Keaau Middle School and other schools statewide.

For purposes of public hearing, your Committee circulated a proposed H.D. 1 version of this concurrent resolution, which deleted the substance of the concurrent resolution and instead requested the Department of Education (DOE) to develop a plan for the delivery of speech and language services that:

- (1) Is consistent with the comprehensive student support system;
- (2) Limits speech pathologist caseloads, taking into account the type and severity of disabilities of students being serviced and the resultant amount of services required;
- (3) Determines the number of speech pathologists and communication aides needed;
- (4) Includes a timetable for the full implementation of the plan;
- (5) Includes a budget for the full implementation of the plan;
- (6) Explains the method of determining:
  - (A) The number of speech pathologists and communication aides needed;

- (B) The timetable for implementation; and
- (C) The budget for implementation;

and

- (7) Is developed in consultation with the Hawaii Speech-Language-Hearing Association Public School Caucus.

The Hawaii Government Employees Association, Hawaii Speech-Language-Hearing Association, and several individuals supported the proposed draft. The DOE supported the intent of the proposed draft.

Your Committee finds that DOE speech pathologists routinely carry extremely large caseloads. They are unable to provide optimal service to their students because of this. A comprehensive plan for alleviating the burden placed on speech pathologists in the DOE needs to be developed so that a fiscally feasible solution can be determined.

Upon further consideration, your Committee has amended this concurrent resolution by deleting its contents and inserting the provisions of the proposed H.D. 1 with some technical, nonsubstantive revisions for purposes of style and clarity.

As amended, the title of the concurrent resolution now reads, "REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP A PLAN FOR THE DELIVERY OF SPEECH AND LANGUAGE SERVICES THAT IS CONSISTENT WITH ITS COMPREHENSIVE STUDENT SUPPORT SYSTEM."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 121, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 121, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

#### **SCRep. 1225-00 Education on H.R. No. 167**

The purpose of this resolution is to:

- (1) Request the establishment of a task force to evaluate and assess the performance of the A-Plus Program (Program) and make recommendations for its improvement; and
- (2) Request the State Auditor to conduct a fiscal and performance audit of the Program.

Kokua Kalihi Valley supported this resolution. The Department of Education (DOE) opposed this resolution.

Your Committee finds that the Program should undergo constant reevaluation to assure that it provides the best services possible, and to further assure that the mission of the Program is adapted to best serve Hawaii's students and parents. However, as testified to by DOE, the Program has undergone a series of extensive audits and assessments in recent years.

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

- (1) Directing its focus toward evaluating the mission and goals of the Program;
- (2) Deleting the request for the Auditor to conduct an audit of the Program;
- (3) Including representatives from private child-care providers and health and human services providers on the task force;
- (4) Requesting that the evaluation of the Program include a determination of how best to enhance its role in the Comprehensive Student Support System; and
- (5) Amending the title to read, "REQUESTING AN ASSESSMENT OF THE GOALS AND OBJECTIVES OF THE A-PLUS PROGRAM AND INCLUDING RECOMMENDATIONS FOR ITS IMPROVEMENT IN CONJUNCTION WITH THE COMPREHENSIVE STUDENT SUPPORT SYSTEM."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 167, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 167, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

#### **SCRep. 1226-00 Education on H.C.R. No. 199**

The purpose of this concurrent resolution is to:

- (1) Request the establishment of a task force to evaluate and assess the performance of the A-Plus Program (Program) and make recommendations for its improvement; and
- (2) Request the State Auditor to conduct a fiscal and performance audit of the Program.

Kokua Kalihi Valley supported this concurrent resolution. The Department of Education (DOE) opposed this concurrent resolution.

Your Committee finds that the Program should undergo constant reevaluation to assure that it provides the best services possible, and to further assure that the mission of the Program is adapted to best serve Hawaii's students and parents. However, as testified to by DOE, the Program has undergone a series of extensive audits and assessments in recent years.

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

- (1) Directing its focus toward evaluating the mission and goals of the Program;
- (2) Deleting the request for the Auditor to conduct an audit of the Program;
- (3) Including representatives from private child-care providers and health and human services providers on the task force;
- (4) Requesting that the evaluation of the Program include a determination of how best to enhance its role in the Comprehensive Student Support System; and
- (5) Amending the title to read, "REQUESTING AN ASSESSMENT OF THE GOALS AND OBJECTIVES OF THE A-PLUS PROGRAM AND INCLUDING RECOMMENDATIONS FOR ITS IMPROVEMENT IN CONJUNCTION WITH THE COMPREHENSIVE STUDENT SUPPORT SYSTEM."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 199, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 199, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

**SCRep. 1227-00 Education on H.C.R. No. 142**

The purpose of this concurrent resolution is to request the Department of Education (DOE) to study the implications of setting coaches salaries in the same manner as other teachers, with increases implemented in the same manner as A-Plus site supervisors or drivers education instructors.

The DOE and an individual supported this concurrent resolution.

Your Committee finds that the method of compensating coaches in the DOE needs to be evaluated. Coaches often play an important role in the development and education of students and should be compensated properly for their work.

However, your Committee finds that the DOE should evaluate compensation for coaches more broadly and thoroughly without restricting their evaluation to only one specific method. Therefore, upon further consideration, your Committee has amended this concurrent resolution by:

- (1) Changing the title to, "REQUESTING THE DEVELOPMENT OF A PROPOSED COMPENSATION SCHEDULE FOR HIGH SCHOOL COACHES";
- (2) Requesting the DOE to develop a compensation schedule for coaches; and
- (3) Suggesting potential ways to change coaches' compensation that should be considered, along with any other creative ideas developed by the DOE.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 142, as amended herein, and recommends that it be referred to the Committee on Labor and Public Employment in the form attached hereto as H.C.R. No. 142, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Morihara and Santiago.

**SCRep. 1228-00 Higher Education on H.R. No. 163**

The purpose of this resolution is to support the establishment of a research institute and a Master of Arts program at the University of Hawaii (UH) at Manoa Center for Hawaiian Studies.

The Center for Hawaiian Studies, Life of the Land, the UH School of Hawaiian, Asian, and Pacific Studies, Mission Houses Museum, Ka Lahui Hawaii, and several individuals supported this measure.

Your Committee finds that a research institute and a graduate program located at the UH at Manoa would help to fulfill the constitutional mandate to support Hawaiian studies in the State. There has been a significant amount of interest in the existing Hawaiian Studies program at the UH, and its graduates do not have any relevant advanced degrees available to them, except in Hawaiian language at the UH at Hilo. Those who are interested in the broader Hawaiian subject matter have to seek advanced degrees in other disciplines such as history, and are largely left to craft their own expertise in Hawaiian studies. The establishment of a research institute and a graduate program would give direction and support scholars who have already made significant efforts to further the knowledge of the State's history and culture.

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

- (1) Changing the word "supporting" to "encouraging" in the title and body of the resolution;
- (2) Adding a whereas clause suggesting that the UH at Manoa work collaboratively with the UH at Hilo to fulfill the constitutional mandate to support and perpetuate Hawaiian Studies; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 163, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 163, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1229-00 Higher Education on H.C.R. No. 188**

The purpose of this concurrent resolution is to support the establishment of a research institute and a Master of Arts program at the University of Hawaii (UH) at Manoa Center for Hawaiian Studies.

The Center for Hawaiian Studies, Life of the Land, the UH School of Hawaiian, Asian, and Pacific Studies, Mission Houses Museum, Ka Lahui Hawaii, and several individuals supported this concurrent resolution.

Your Committee finds that a research institute and a graduate program located at the UH at Manoa would help to fulfill the constitutional mandate to support Hawaiian studies in the State. There has been a significant amount of interest in the existing Hawaiian Studies program at the UH, and its graduates do not have any relevant advanced degrees available to them, except in Hawaiian language at the UH at Hilo. Those who are interested in the broader Hawaiian subject matter have to seek advanced degrees in other disciplines such as history, and are largely left to craft their own expertise in Hawaiian studies. The establishment of a research institute and a graduate program would give direction and support scholars who have already made significant efforts to further the knowledge of the State's history and culture.

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

- (1) Changing the word "supporting" to "encouraging" in the title and body of this measure;
- (2) Adding a whereas clause suggesting that the UH at Manoa work collaboratively with the UH at Hilo to fulfill the constitutional mandate to support and perpetuate Hawaiian Studies; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 188, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 188, H.D. 1.

Signed by all members of the Committee except Representatives Okamura and McDermott.

**SCRep. 1230-00 Education and Higher Education on H.R. No. 138**

The purpose of this measure is to request that the University of Hawaii conduct a comprehensive analysis of Hawaii's ability to fund K-12 education.

In addition, this measure requests that the University of Hawaii:

- (1) Analyze the State's historical and current commitment to funding K-12 education;



- (2) Identify potential peer states and districts that share commonalities on key education, demographic, and economic dimensions, such that these peers can be used for benchmarking and future comparative study;
- (3) Recommend goals for levels of funding that represent adequate funding targets; and
- (4) Submit its findings and recommendations to the Legislature prior to the Regular Session of 2001.

Your Committees received testimony in support of this measure from the University of Hawaii, the Department of Education, and one individual. The University of Hawaii testified that the Hawaii Educational Policy Center has already gathered a team of University of Hawaii researchers to conduct the necessary research.

Your Committees find that public school financing data are technically complex and, consequently, difficult to translate into policy decisions and legislation. The interpretation and use of these data are complicated by the fact that antagonists often misuse (and selectively use) these data to further their respective agendas. Rather than using public school financing data for illumination, some antagonists use these data only for support. Your Committees find that the interpretation of public school financing data must be apolitical. Policy decisions, which by their very definition are political, should be made by elected officials, not researchers.

As affirmed by the record of votes of the members of your Committees on Education and Higher Education that is attached to this report, your Committees concur with the intent and purpose of H.R. No. 138, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Morihara, Okamura and Santiago.

**SCRep. 1231-00 Education and Higher Education on H.C.R. No. 157**

The purpose of this measure is to request that the University of Hawaii conduct a comprehensive analysis of Hawaii's ability to fund K-12 education.

In addition, this measure requests that the University of Hawaii:

- (1) Analyze the State's historical and current commitment to funding K-12 education;
- (2) Identify potential peer states and districts that share commonalities on key education, demographic, and economic dimensions, such that these peers can be used for benchmarking and future comparative study;
- (3) Recommend goals for levels of funding that represent adequate funding targets; and
- (4) Submit its findings and recommendations to the Legislature prior to the Regular Session of 2001.

Your Committees received testimony in support of this measure from the University of Hawaii, the Department of Education, and one individual. The University of Hawaii testified that the Hawaii Educational Policy Center has already gathered a team of University of Hawaii researchers to conduct the necessary research.

Your Committees find that public school financing data are technically complex and, consequently, difficult to translate into policy decisions and legislation. The interpretation and use of these data are complicated by the fact that antagonists often misuse (and selectively use) these data to further their respective agendas. Rather than using public school financing data for illumination, some antagonists use these data only for support. Your Committees find that the interpretation of public school financing data must be apolitical. Policy decisions, which by their very definition are political, should be made by elected officials, not researchers.

As affirmed by the record of votes of the members of your Committees on Education and Higher Education that is attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 157, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Morihara, Okamura and Santiago.

**SCRep. 1232-00 Education and Higher Education on H.C.R. No. 158**

The purpose of this Concurrent Resolution is to request the Department of Education and the University of Hawaii community colleges to initiate a collaborative partnership to improve services for adults and expand opportunities for high school students that will result in substantive outcomes for both entities.

Your Committees finds that the illiteracy rate in Hawaii is high and that this contributes to difficulty finding jobs when layoffs occur, and inability to rise economically even when employed. In 1989, a survey contracted for by the Governor's Office of Children and Youth reported that about 154,000 adults are functionally illiterate. As Hawaii moves into the twenty-first century, these individuals will be left behind socioeconomically and psychologically.

Your Committees also finds that both the community colleges and the Department of Education are not only equipped, but also concerned enough about this issue to be able to work collaboratively to develop literacy curricula, programs, and procedures for promoting sharing of resources in the delivery of remedial literacy courses to adults. This Concurrent Resolution supports this partnership in an affirmative direction that will benefit all affected parties.

As affirmed by the record of votes of the members of your Committees on Education and Higher Education that is attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 158, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Morihara, Okamura, Santiago, Stegmaier.

**SCRep. 1233-00 Human Services and Housing and Public Safety and Military Affairs on H.R. No. 2**

The purpose of this resolution is to request the Director of Human Services and the Director of Public Safety to develop and implement a system to identify and provide services and support for children of incarcerated parents.

The Department of Public Safety and the Hawaii State Commission on the Status of Women testified in support of the measure. The Department of Human Services testified in support of the intent of the measure.

Your Committees find that female offenders comprise thirteen percent of Hawaii's incarcerated population, and in a recent survey of inmates at the Women's Community Correctional Center, sixty percent of the incarcerated women there had at least one child.

Your Committees further find that although programs are already in place for children who are currently in the Child Protective Services System, those that are not in the system lack the programs needed to meet their special needs.

Your Committees have amended this measure by:

- (1) Adding the Department of Health, the Department of Education, the Office of Youth Services, and the Hawaii Paroling Authority as collaborators in the development and implementation and provide services and support for children of incarcerated parents;
- (2) Requiring that certified copies of this measure be transmitted to the Director of Health, Superintendent of Education, Chairperson of the Hawaii Paroling Authority, and Executive Director of the Office of Youth Services; and
- (3) Making technical, nonsubstantive amendments for style and clarity.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 2, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 2, H.D. 1.

Signed by all members of the Committees except Representatives Kahikina, McDermott and Pendleton.

**SCRep. 1234-00 Human Services and Housing and Public Safety and Military Affairs on H.C.R. No. 3**

The purpose of this concurrent resolution is to request the Director of Human Services and the Director of Public Safety to develop and implement a system to identify and provide services and support for children of incarcerated parents.

The Department of Public Safety and the Hawaii State Commission on the Status of Women testified in support of the measure. The Department of Human Services testified in support of the intent of the measure.

Your Committees find that female offenders comprise thirteen percent of Hawaii's incarcerated population, and in a recent survey of inmates at the Women's Community Correctional Center, sixty percent of the incarcerated women there had at least one child.

Your Committees further find that although programs are already in place for children who are currently in the Child Protective Services System, those that are not in the system lack the programs needed to meet their special needs.

Your Committees have amended this measure by:

- (1) Adding the Department of Health, the Department of Education, the Office of Youth Services, and the Hawaii Paroling Authority as collaborators in the development and implementation and provide services and support for children of incarcerated parents;
- (2) Requiring that certified copies of this measure be transmitted to the Director of Health, Superintendent of Education, Chairperson of the Hawaii Paroling Authority, and Executive Director of the Office of Youth Services; and

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

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 3, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 3, H.D. 1.

Signed by all members of the Committees except Representatives Kahikina, McDermott and Pendleton.

**SCRep. 1235-00 Human Services and Housing on H.R. No. 47**

The purpose of this resolution is to create a web site providing information related to the welfare of children in Hawaii including:

- (1) Information on missing children and facts connected with their abduction;
- (2) The names and addresses of known convicted child molesters residing in Hawaii;
- (3) A list of parents who are more than six months delinquent in their child support payments;
- (4) Data on the dangerous health effects caused by tobacco, alcohol, and drugs; and
- (5) A help line where citizens can contact the appropriate state agencies.

The Office of the Attorney General and the Office of the Governor testified in support of the intent of this resolution. The Office of Information Practices submitted testimony commenting on this resolution. One concerned individual testified in opposition to this resolution.

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

- (1) Changing the title of the resolution clarifying that it is encouraging the expansion of the website;
- (2) Clarifying that the State will contract with a portal manager to assist with design linkage and accessibility of the information on the website;
- (3) Including a request to the Office of the Governor to coordinate with the portal manager in expanding the website;
- (4) Including the Superintendent of Education and the President of the University of Hawaii on the list of those to receive certified copies of the resolution;
- (5) Clarifying that the website expansion is needed to provide information necessary for the prevention of the abuse, neglect, and injury of children;
- (6) Clarifying that the website will provide links to other websites providing information on missing or runaway children; and
- (7) Clarifying that the report should include information on possible funding sources for the expansion of the website.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 47, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 47, H.D. 1.

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

**SCRep. 1236-00 Human Services and Housing on H.C.R. No. 42**

The purpose of this concurrent resolution is to create a web site providing information related to the welfare of children in Hawaii including:

- (1) Information on missing children and facts connected with their abduction;
- (2) The names and addresses of known convicted child molesters residing in Hawaii;
- (3) A list of parents who are more than six months delinquent in their child support payments;
- (4) Data on the dangerous health effects caused by tobacco, alcohol, and drugs; and
- (5) A help line where citizens can contact the appropriate state agencies.

The Office of the Attorney General and the Office of the Governor testified in support of the intent of this concurrent resolution. The Office of Information Practices submitted testimony commenting on this concurrent resolution. One concerned individual testified in opposition to this concurrent resolution.

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

- (1) Changing the title of the resolution clarifying that it is encouraging the expansion of the website;
- (2) Clarifying that the State will contract with a portal manager to assist with design linkage and accessibility of the information on the website;
- (3) Including a request to the Office of the Governor to coordinate with the portal manager in expanding the website;
- (4) Including the Superintendent of Education and the President of the University of Hawaii on the list of those to receive certified copies of the resolution;
- (5) Clarifying that the website expansion is needed to provide information necessary for the prevention of the abuse, neglect, and injury of children;
- (6) Clarifying that the website will provide links to other websites providing information on missing or runaway children; and
- (7) Clarifying that the report should include information on possible funding sources for the expansion of the website.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 42, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 42, H.D. 1.

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

**SCRep. 1237-00 Human Services and Housing and Health on H.C.R. No. 66**

The purpose of this measure is to request the Department of Human Services (DHS) to convene a public-private interagency group to examine ways to advocate the capture and maximization of federal funds to support Hawaii's health and human services programs.

The Welfare & Employment Rights Coalition and the Hawaii Long Term Care Association submitted testimony supporting the measure. The Disability and Communication Access Board submitted testimony supporting the intent of the measure. DHS submitted testimony supporting the measure with reservations regarding the need for a formal public-private interagency working group.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 66, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami, Lee and Stegmaier.

**SCRep. 1238-00 Public Safety and Military Affairs on H.R. No. 70**

The purpose of this resolution is to urge the US Navy to relocate from the island of Vieques, return the land to the Municipality of Vieques for civilian uses, make reparations for the destruction of the environment and to assist in social and economic development of the people of Vieques.

Your Committee received testimony in support of this measure from Life of the Land, HPACH, American Friends Service Committee, and Nancy Aleck. Your Committee received testimony in opposition to this measure from the International Federation Professional & Technical Engineers.

Your Committee has amended this resolution by including the Governor of Puerto Rico, the Senate President of Puerto Rico, Speaker of the House of Puerto Rico and the Mayor of the Municipality of Vieques in the list of parties to receive a certified copy of the resolution.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs, in the form attached hereto as H.R. No. 70, H.D. 1.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1239-00 Public Safety and Military Affairs on H.C.R. No. 64**

The purpose of this concurrent resolution is to urge the US Navy to relocate from the island of Vieques, return the land to the Municipality of Vieques for civilian uses, make reparations for the destruction of the environment and to assist in social and economic development of the people of Vieques.

Your Committee received testimony in support of this measure from Life of the Land, HPACH, American Friends Service Committee, and Nancy Aleck. Your Committee received testimony in opposition to this measure from the International Federation Professional & Technical Engineers.

Your Committee has amended this concurrent resolution by including the Governor of Puerto Rico, the Senate President of Puerto Rico, Speaker of the House of Puerto Rico and the Mayor of the Municipality of Vieques in the list of parties to receive a certified copy of the resolution.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 64, as amended herein, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs, in the form attached hereto as H.C.R. No. 64, H.D. 1.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1240-00 Public Safety and Military Affairs on H.R. No. 15**

The purpose of this resolution is to provide support for gender equity in correctional programs, to encourage the Department of Public Safety to develop and implement gender specific and community based programs for women offenders, and report to the Legislature, before the convening of the Regular Session of 2001, what is needed to implement programs that achieve gender equity.

Numerous testimonies were received in support of this resolution, including testimonies from the Department of Human Services Office of Youth Services, the Department of Public Safety and the Commission on the Status of Women.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 15, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1241-00 Public Safety and Military Affairs on H.C.R. No. 15**

The purpose of this concurrent resolution is to provide support for gender equity in correctional programs, to encourage the Department of Public Safety to develop and implement gender specific and community based programs for women offenders, and report to the Legislature, before the convening of the Regular Session of 2001, what is needed to implement programs that achieve gender equity.

Numerous testimonies were received in support of this concurrent resolution, including testimonies from the Department of Human Services Office of Youth Services, the Department of Public Safety and the Commission on the Status of Women.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 15, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1242-00 Public Safety and Military Affairs on H.C.R. No. 20**

The purpose of this concurrent resolution is to request the Legislature, the Governor, the State Department of Defense and the Office of Veterans' Affairs to support and help to implement the events planned by the 50th Anniversary Commemoration of the Korean War Commission.

Your Committee received testimony in support of this measure from Brigadier General Hyo Kap Lee, Irwin K. Cockett Jr., Robert S. Hamakawa, Members of the Korean War Veterans Association, Hawaii Chapter, Members of the 5th Regimental Combat Team, Korean War Veterans, Hawaii, Mildred Lehua McColgan, and Glenn Au.

Your Committee has amended this concurrent resolution by:

- (1) Expanding the efforts by the Legislature, the Governor, the State Department of Defense and the Office of Veterans' Affairs to include funding the events planned.
- (2) Including the Counties as one of the parties supporting, funding and helping to implement the events planned.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 20, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 20, H.D. 1.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1243-00 Public Safety and Military Affairs and Economic Development and Business Concerns on H.C.R. No. 191**

The purpose of this concurrent resolution is to request that the United States Navy increase the workload and employment in the Pearl Harbor Naval Shipyard and brief the community and the legislature about the future workload plans.

Your Committees received testimony in support of this measure from the Chamber of Commerce of Hawaii, members of the National Association of Superintendents Hawaii Chapter at Pearl Harbor Naval Shipyard, employees of the Pearl Harbor Naval Shipyard, members of the Federal Managers Association Chapter 19 at Pearl Harbor Naval Shipyard, the International Federation of Professional and Technical Engineers, and the Hawaii Federal Employees Metal Trades Council.

Your Committees have amended this concurrent resolution by including the Mayor of the City and County of Honolulu, the State of Hawaii Department of Business, Economic Development and Tourism and the Chamber of Commerce of Hawaii in the list of parties receiving certified copies of the resolution.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Economic Development and Business Concerns that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 191, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 191, H.D. 1.

Signed by all members of the Committees except Representatives Abinsay, Ahu Isa, Morihara, Suzuki, Halford, Pendleton and Whalen.

**SCRep. 1244-00 Human Services and Housing and Health on H.R. No. 79**

The purpose of this resolution is to request the Executive Office on Aging (EOA) to conduct a comprehensive review of all programs in the State for, and the benefits received by, Hawaii's elders.

The American Association of Retired Persons submitted testimony in support of the resolution. The EOA submitted testimony supporting the intent of the resolution.

The EOA expressed reservations regarding the scope of the requested review. Because of the importance of the issues facing Hawaii's elderly, your Committees have amended this resolution by clarifying EOA's expertise and authority thereby defining EOA's means and approach to the requested review by:

- (1) Developing a methodology for structuring the requested review;
- (2) Involving other relevant jurisdictions, and public and private agencies for necessary information and assistance; and
- (3) Developing a matrix of significant issues and needed resources for serving an aging population.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 79, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 79, H.D. 1.

Signed by all members of the Committees except Representatives Kawakami, Lee and Stegmaier.

**SCRep. 1245-00 Human Services and Housing and Health on H.C.R. No. 86**

The purpose of this concurrent resolution is to request the Executive Office on Aging (EOA) to conduct a comprehensive review of all programs in the State for, and the benefits received by, Hawaii's elders.

The American Association of Retired Persons submitted testimony in support of the resolution. The EOA submitted testimony supporting the intent of the resolution.

The EOA expressed reservations regarding the scope of the requested review. Because of the importance of the issues facing Hawaii's elderly, your Committees have amended this resolution by clarifying EOA's expertise and authority thereby defining EOA's means and approach to the requested review by:

- (1) Developing a methodology for structuring the requested review;
- (2) Involving other relevant jurisdictions, and public and private agencies for necessary information and assistance; and

- (3) Developing a matrix of significant issues and needed resources for serving an aging population.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 86, as amended herein, and recommend that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 86, H.D. 1.

Signed by all members of the Committees except Representatives Kawakami, Lee and Stegmaier.

**SCRep. 1246-00 Human Services and Housing and Labor and Public Employment on H.C.R. No. 184**

The purpose of this concurrent resolution is to reduce the State's overall administrative costs for health care purchasing by requesting the establishment of a Task Force to review and report on the feasibility of establishing collaborative health care purchasing arrangements between the Hawaii Public Employees Health Fund (Health Fund) and the Hawaii QUEST Program, including:

- (1) Coordination of health plan purchasing standards;
- (2) Combined purchasing of administrative services;
- (3) Cooperative purchasing of health services; and
- (4) Establishing a single health care purchasing agency for both the QUEST Program and the Health Fund.

The Department of Human Services testified in support of this measure. The Health Fund submitted comments.

Your Committees note that standardizing the purchasing requirements for these two programs could lead to administrative cost savings among health plans. Additionally, reducing differences in administrative demands and increasing the size of the overall purchasing pool could re-stimulate the commercial health insurance marketplace through competitive bidding for both lines of business.

Your Committees also note that additional funding may be necessary for a consultant.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Labor and Public Employment that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 184 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Kawakami, Okamura, Saiki, Santiago, Stegmaier, Yoshinaga and Rath.

**SCRep. 1247-00 Ocean Recreation and Marine Resources and Water and Land Use on H.R. No. 57**

The purpose of this measure is to request the Department of Land and Natural Resources and each County to enter into long-term leases and development agreements with Hawaiian canoe clubs that desire to make improvements to their existing tenancies.

The DLNR submitted testimony in support of the intent of this measure.

Your Committees find that pursuant to Sections 171-43 and 171-43.1, Hawaii Revised Statutes, leases are allowed on public lands for nominal amounts to eleemosynary or religious organizations. The canoe clubs may therefore wish to apply for long-term leases under these provisions.

Your Committees recommend that upon the submission by Hawaiian canoe club lessees of a development plan to the Department of Land and Natural Resources (DLNR), as specified in this measure, the DLNR enter into development agreements with lessees which incorporate the development plan, including the establishment of long-term leases.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Water and Land Use that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 57 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Garcia, Takumi and Meyer.

**SCRep. 1248-00 Ocean Recreation and Marine Resources and Water and Land Use on H.R. No. 54**

The purpose of this measure is to encourage the State of Hawaii Department of Land and Natural Resources (DLNR) to establish a community based subsistence fishing area at Ha'ena on Kauai.

Testimony in support of this measure was received from Hui Hoomalu I Ka Aina, Limahuli Garden and Preserve, Save Our Seas, 'Ilio'ulaokalani Coalition, and Ho'okipa Network - Ahupua'a o Kealia, as well as from several individuals. The DLNR submitted testimony in support of the intent of this measure.

Your Committees find that the fishing area at Ha'ena is a unique resource that has become increasingly taxed by overfishing. If the DLNR designates Ha'ena as a community-based subsistence fishing area, where fisheries management strategies for such areas are applied, this valuable resource will be protected in a manner consistent with Native Hawaiian fishing systems while preserving the ecosystem.

Your Committees further find that pursuant to Act 271, Session Laws of Hawaii 1994, the DLNR may grant the management responsibilities of the community-based subsistence area to a community group.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Water and Land Use that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 54 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Garcia, Takumi and Meyer.

**SCRep. 1249-00 Ocean Recreation and Marine Resources and Water and Land Use on H.C.R. No. 53**

The purpose of this measure is to encourage the Department of Land and Natural Resources (DLNR) to establish a community based subsistence fishing area at Ha'ena on the Island of Kauai.

Testimony in support of this measure was received from Hui Hoomalu I Ka Aina, Limahuli Garden and Preserve, Save Our Seas, 'Ilio'ulaokalani Coalition, and Ho'okipa Network - Ahupua'a o Kealia, as well as from several individuals. The DLNR submitted testimony in support of the intent of this measure.

Your Committees find that the fishing area at Ha'ena is a unique resource that has become increasingly taxed by overfishing. If the DLNR designates Ha'ena as a community-based subsistence fishing area, where fisheries management strategies for such areas are applied, this valuable resource will be protected in a manner consistent with Native Hawaiian fishing systems while preserving the ecosystem.

Your Committees further find that pursuant to Act 271, Session Laws of Hawaii 1994, the DLNR may grant the management responsibilities of the community-based subsistence area to a community group.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Water and Land Use that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 53 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Garcia, Takumi and Meyer.

**SCRep. 1250-00 Ocean Recreation and Marine Resources and Water and Land Use on H.C.R. No. 60**

The purpose of this measure is to request the Department of Land and Natural Resources (DLNR) and each county to enter into long-term leases and development agreements with Hawaiian canoe clubs that desire to make improvements to their existing tenancies.

Testimony in support of the intent of this measure was submitted by the DLNR.

Your Committees find that pursuant to Sections 171-43 and 171-43.1, Hawaii Revised Statutes, leases are allowed on public lands for nominal amounts to eleemosynary or religious organizations. The canoe clubs may therefore wish to apply for long-term leases under these provisions.

Your Committees recommend that upon the submission by Hawaiian canoe club lessees of a development plan, the DLNR enter into development agreements with lessees which incorporate the development plan, including the establishment of long-term leases.

As affirmed by the records of votes of the members of your Committees on Ocean Recreation and Marine Resources and Water and Land Use that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 60 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Garcia, Takumi and Meyer.

**SCRep. 1251-00 Labor and Public Employment on H.R. No. 164**

The purpose of this resolution is to request the Department of Human Services to convene an interagency working group (group) to help low-income families become self-sufficient. The group is requested to develop a model to help welfare recipients who reach the five-year lifetime limit on welfare benefits to find jobs. Additionally, the group is requested to consider:



- (1) Worker stipend programs;
- (2) State earned income tax credits; and
- (3) Job retention and advancement services.

The Department of Human Services, the National Association of Social Workers, and the Welfare and Employment Rights Coalition supported this resolution.

Your Committee finds that there is a need to further develop strategies for assisting welfare recipients to become self-sufficient. The group proposed in this resolution would be dedicated to this task, and would consist of representatives from a wide range of public and private organizations who would bring unique and creative ideas to this discussion.

Upon further consideration, your Committee has amended this resolution by including the Department of Taxation as one of the organizations represented in the proposed group.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 164, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 164, H.D. 2.

Signed by all members of the Committee except Representatives Yoshinaga, Okamura, Saiki and Rath.

**SCRep. 1252-00 Labor and Public Employment on H.C.R. No. 189**

The purpose of this concurrent resolution is to request the Department of Human Services to convene an interagency working group (group) to help low-income families become self-sufficient. The group is requested to develop a model to help welfare recipients who reach the five-year lifetime limit on welfare benefits to find jobs. Additionally, the group is requested to consider:

- (1) Worker stipend programs;
- (2) State earned income tax credits; and
- (3) Job retention and advancement services.

The Department of Human Services, the National Association of Social Workers, and the Welfare and Employment Rights Coalition supported this concurrent resolution.

Your Committee finds that there is a need to further develop strategies for assisting welfare recipients to become self-sufficient. The group proposed in this resolution would be dedicated to this task, and would consist of representatives from a wide range of public and private organizations who would bring unique and creative ideas to this discussion.

Upon further consideration, your Committee has amended this concurrent resolution by including the Department of Taxation as one of the organizations represented in the proposed group.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 189, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 189, H.D. 2.

Signed by all members of the Committee except Representatives Yoshinaga, Okamura, Saiki and Rath.

**SCRep. 1253-00 Labor and Public Employment on H.C.R. No. 62**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to conduct a study on the economic impact of instituting a living wage for all persons employed by a private company under a state contract.

The Hawaii State AFL-CIO and the Welfare & Employment Rights Coalition testified in support of this measure. The Chamber of Commerce of Hawaii testified in opposition to this measure. The LRB offered comments on this measure.

Your Committee finds that requiring companies that benefit from state contracts to pay their employees a living wage is a positive step toward reducing the number of families living below the poverty line in this State.

However, your Committee is concerned that the phrase "living wage", as defined in the concurrent resolution, may be in conflict with chapter 104, Hawaii Revised Statutes, which requires that companies awarded contracts by the State must pay their employees, at a minimum, the "prevailing wage" which is set by the Department of Labor and Industrial Relations. This could pose a problem as a "living wage" is defined as a wage that will lift a family of four to the poverty line and this wage may be higher than what the "prevailing wage" is for certain job classifications.

Your Committee has amended this concurrent resolution by:

- (1) Requesting LRB to:
  - (A) Contact the cities of Baltimore, Chicago, and Los Angeles and request any and all pertinent information relating to their experience with the implementation of the living wage law; and
  - (B) Submit proposed legislation for a living wage law for employees of private companies on contract with the State;
- (2) Changing the title to read: "REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO COMPILE DATA ON THE NUMBER AND PERCENTAGE OF EMPLOYEES OF PRIVATE COMPANIES ON CONTRACT WITH THE STATE WHO MAY BE AFFECTED BY THE IMPLEMENTATION OF A LIVING WAGE LAW"; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 62, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 62, H.D. 1.

Signed by all members of the Committee except Representatives Yoshinaga, Okamura, Saiki and Rath.

**SCRep. 1254-00 Labor and Public Employment on H.R. No. 40**

The purpose of this resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the feasibility of establishing a universal medical fee schedule for the prepaid health insurance system, the medical portion of the no-fault automobile insurance system, and the medical portion of the workers' compensation insurance system in Hawaii.

WorkComp Hawaii Insurance Company, Inc. and the Hawaii Medical Service Association testified in support of this measure. DLIR supported the intent of this measure.

Your Committee finds that having three different schedules for these insurance systems are unnecessary and needlessly add to the administrative costs of medical insurance in this State. Furthermore, the establishment of a universal medical fee schedule will not require an insurer to provide any coverage for services that it is not already providing.

Your Committee has amended this resolution by:

- (1) Requesting that the Legislative Reference Bureau (LRB) conduct the study instead of the DLIR;
- (2) Requesting that the LRB also study the feasibility of establishing universal payment policies, recognized providers, and policies regarding payment for supplies; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

Accordingly, the title has been amended to read:

"REQUESTING A STUDY ON THE FEASIBILITY OF ESTABLISHING A UNIVERSAL MEDICAL FEE SCHEDULE FOR THE PREPAID HEALTH INSURANCE SYSTEM, THE MEDICAL PORTION OF THE NO-FAULT AUTOMOBILE INSURANCE SYSTEM, AND THE MEDICAL PORTION OF THE WORKERS' COMPENSATION INSURANCE SYSTEM IN HAWAII, AND DETERMINING UNIVERSAL PAYMENT POLICIES, RECOGNIZED PROVIDERS, AND POLICIES REGARDING PAYMENT FOR SUPPLIES."

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 40, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce in the form attached hereto as H.R. No. 40, H.D. 1.

Signed by all members of the Committee except Representatives Yoshinaga, Okamura, Saiki and Rath.

**SCRep. 1255-00 Labor and Public Employment on H.C.R. No. 34**

The purpose of this concurrent resolution is to request the Department of Labor and Industrial Relations (DLIR) to study the feasibility of establishing a universal medical fee schedule for the prepaid health insurance system, the medical portion of the no-fault automobile insurance system, and the medical portion of the workers' compensation insurance system in Hawaii.

WorkComp Hawaii Insurance Company, Inc. and the Hawaii Medical Service Association testified in support of this measure. DLIR supported the intent of this measure.

Your Committee finds that having three different schedules for these insurance systems are unnecessary and needlessly add to the administrative costs of medical insurance in this State. Furthermore, the establishment of a universal medical fee schedule will not require an insurer to provide any coverage for services that it is not already providing.

Your Committee has amended this concurrent resolution by:

- (1) Requesting that the Legislative Reference Bureau (LRB) conduct the study instead of the DLIR;
- (2) Requesting that the LRB also study the feasibility of establishing universal payment policies, recognized providers, and policies regarding payment for supplies; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

Accordingly, the title has been amended to read:

"REQUESTING A STUDY ON THE FEASIBILITY OF ESTABLISHING A UNIVERSAL MEDICAL FEE SCHEDULE FOR THE PREPAID HEALTH INSURANCE SYSTEM, THE MEDICAL PORTION OF THE NO-FAULT AUTOMOBILE INSURANCE SYSTEM, AND THE MEDICAL PORTION OF THE WORKERS' COMPENSATION INSURANCE SYSTEM IN HAWAII, AND DETERMINING UNIVERSAL PAYMENT POLICIES, RECOGNIZED PROVIDERS, AND POLICIES REGARDING PAYMENT FOR SUPPLIES."

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, as amended herein, and recommends that it be referred to the Committee on Consumer Protection and Commerce in the form attached hereto as H.C.R. No. 34, H.D. 1.

Signed by all members of the Committee except Representatives Yoshinaga, Okamura, Saiki and Rath.

**SCRep. 1256-00 Energy and Environmental Protection and Consumer Protection and Commerce on H.R. No. 154**

The purpose of this resolution is to reduce electricity costs to consumers by requesting the Public Utilities Commission (PUC) to open a new docket on demand side management (DSM).

DSM programs seek to defer or delay the need for additional power plant construction by reducing the customers' consumption of electricity. One example of DSM is rebates offered by electric companies to encourage the installation of solar water heaters by residential customers. These practices will reduce the demand for electricity, thereby prolonging the reliance on existing power plants.

The Hawaii Renewable Energy Alliance, Life of the Land, Na Leo Pohai, Malama o Manoa, and an individual testified in support of this resolution. The PUC and the Division of Consumer Advocacy supported the intent of this measure. Kauai Electric offered comments. The Hawaii Solar Energy Association and Hawaiian Electric Company (HECO) and its subsidiary utilities, Hawaii Electric Light Company and Maui Electric Company, opposed passage of this measure.

Your Committees find that HECO does not plan to cut its DSM program in April 2000. On the contrary, HECO plans to extend its residential, commercial, and industrial DSM programs for a second five-year period. Your Committees further find that if PUC fails to extend HECO's DSM programs by October, 2000, PUC will allow HECO to continue these programs for one additional year to:

- (1) Preclude any disruption to the delivery of energy efficient services currently being provided through the DSM programs; and
- (2) Provide the PUC with the necessary time to issue its final decision to extend HECO's DSM programs.

Your Committees further find that instead of opening a new docket, it will be more advantageous to address DSM issues in related and pending PUC dockets.

Accordingly, your Committees have amended this resolution by:

- (1) Deleting provisions:
  - (a) Stating that HECO will cut its DSM program in April 2000;
  - (b) Requesting that the PUC open a new docket on DSM; and
  - (c) Stating that the current docket prevents individuals and organizations from effectively participating;
- (2) Requesting the PUC to instead address and consider DSM issues, including the modification of financial incentives in related, pending, or new PUC dockets;

- (3) Changing the title to read: "REQUESTING THE PUBLIC UTILITIES COMMISSION TO ADDRESS AND CONSIDER ADDITIONAL DEMAND SIDE MANAGEMENT ISSUES IN RELATED, PENDING, OR NEW COMMISSION DOCKETS";
- (4) Adding provisions regarding HECO's plan to extend its residential, commercial, and industrial DSM programs for a second five-year period;
- (5) Clarifying that increasing the number of DSM programs has the potential to, rather than will, lead to enormous savings to residents; and
- (6) Making technical, nonsubstantive amendments for purposes of consistency and clarity.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 154, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 154, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Herkes, Hiraki, Kaho'ohalahala, Yoshinaga, Meyer and Rath.

**SCRep. 1257-00 Energy and Environmental Protection and Consumer Protection and Commerce on H.C.R. No. 176**

The purpose of this concurrent resolution is to reduce electricity costs to consumers by requesting the Public Utilities Commission (PUC) to open a new docket on demand side management (DSM).

DSM programs seek to defer or delay the need for additional power plant construction by reducing the customers' consumption of electricity. One example of DSM is rebates offered by electric companies to encourage the installation of solar water heaters by residential customers. These practices will reduce the demand for electricity, thereby prolonging the reliance on existing power plants.

The Hawaii Renewable Energy Alliance, Life of the Land, Na Leo Pohai, Malama o Manoa, and an individual testified in support of this concurrent resolution. The PUC and the Division of Consumer Advocacy supported the intent of this measure. Kauai Electric offered comments. The Hawaii Solar Energy Association and Hawaiian Electric Company (HECO) and its subsidiary utilities, Hawaii Electric Light Company and Maui Electric Company, opposed passage of this measure.

Your Committees find that HECO does not plan to cut its DSM program in April 2000. On the contrary, HECO plans to extend its residential, commercial, and industrial DSM programs for a second five-year period. Your Committees further find that if PUC fails to extend HECO's DSM programs by October, 2000, PUC will allow HECO to continue these programs for one additional year to:

- (1) Preclude any disruption to the delivery of energy efficient services currently being provided through the DSM programs; and
- (2) Provide the PUC with the necessary time to issue its final decision to extend HECO's DSM programs.

Your Committees further find that instead of opening a new docket, it will be more advantageous to address DSM issues in related and pending PUC dockets.

Accordingly, your Committees have amended this concurrent resolution by:

- (1) Deleting provisions:
  - (a) Stating that HECO will cut its DSM program in April 2000;
  - (b) Requesting that the PUC open a new docket on DSM; and
  - (c) Stating that the current docket prevents individuals and organizations from effectively participating;
- (2) Requesting the PUC to instead address and consider DSM issues, including the modification of financial incentives in related, pending, or new PUC dockets;
- (3) Changing the title to read: "REQUESTING THE PUBLIC UTILITIES COMMISSION TO ADDRESS AND CONSIDER ADDITIONAL DEMAND SIDE MANAGEMENT ISSUES IN RELATED, PENDING, OR NEW COMMISSION DOCKETS";
- (4) Adding provisions regarding HECO's plan to extend its residential, commercial, and industrial DSM programs for a second five-year period;

- (5) Clarifying that increasing the number of DSM programs has the potential to, rather than will, lead to enormous savings to residents; and
- (6) Making technical, nonsubstantive amendments for purposes of consistency and clarity.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 176, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 176, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Herkes, Hiraki, Kaho'ohalahala, Yoshinaga, Meyer and Rath.

**SCRep. 1258-00 Energy and Environmental Protection and Consumer Protection and Commerce on H.R. No. 156**

The purpose of this resolution is to support the use of renewable energy in the state by requesting the Public Utilities Commission (PUC) to:

- (1) Resolve avoided cost issues by completing:
  - (a) Docket No. 7310, short-run avoided energy costs for as-available resources; and
  - (b) Docket No. 94-0079, long-run avoided cost for firm capacity resources;and
- (2) Issue a decision and order.

The Hawaii Renewable Energy Alliance, Life of the Land, Malama o Manoa, and Waimana Enterprises testified in support of this resolution. PUC and the Division of Consumer Advocacy supported the intent of this measure. Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company, offered comments.

Your Committees have amended this resolution by:

- (1) Deleting references to Docket No. 94-0079, which has been resolved and closed; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and to correct drafting errors.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 156, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 156, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Herkes, Hiraki, Kaho'ohalahala, Yoshinaga, Meyer and Rath.

**SCRep. 1259-00 Energy and Environmental Protection and Consumer Protection and Commerce on H.C.R. No. 178**

The purpose of this concurrent resolution is to support the use of renewable energy in the state by requesting the Public Utilities Commission (PUC) to:

- (1) Resolve avoided cost issues by completing:
  - (a) Docket No. 7310, short-run avoided energy costs for as-available resources; and
  - (b) Docket No. 94-0079, long-run avoided cost for firm capacity resources;and
- (2) Issue a decision and order.

The Hawaii Renewable Energy Alliance, Life of the Land, Malama o Manoa, and Waimana Enterprises testified in support of this concurrent resolution. PUC and the Division of Consumer Advocacy supported the intent of this measure. Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company, offered comments.

Your Committees have amended this concurrent resolution by:

- (1) Deleting references to Docket No. 94-0079, which has been resolved and closed; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and to correct drafting errors.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 178, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 178, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Herkes, Hiraki, Kaho'ohalahala, Yoshinaga, Meyer and Rath.

**SCRep. 1260-00 Human Services and Housing and Judiciary and Hawaiian Affairs on H.R. No. 115**

The purpose of this resolution is to request the Attorney General to continue to monitor implementation of recommendations and expand the Domestic Violence Working Group to encompass issues relating to children and adolescents.

The Commission on the Status of Women, the Department of the Prosecuting Attorney, City and County of Honolulu, the Child and Family Service, the Domestic Violence Clearinghouse and Legal Hotline, the YMCA of Kauai, the State Coalition against Domestic Violence, and the American Association of University Women, Windward Oahu branch testified in support of this measure. The Attorney General supported the measure with technical amendments. The Department of Human Services and the Office of Youth Services testified in support of the intent of the measure.

Your Committees have amended this measure by:

- (1) Adding the Department of Education to the 2000 Domestic Violence Working Group to oversee the implementation of the recommendations made in the "Domestic Violence and Criminal Justice System in Hawaii" report;
- (2) Transmitting a certified copy of the resolution to the Superintendent of Education; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.R. No. 115, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 115, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Garcia, Kaho'ohalahala, Kawakami, Morita, Santiago, Stegmaier, Yoshinaga and Thielen.

**SCRep. 1261-00 Human Services and Housing and Judiciary and Hawaiian Affairs on H.C.R. No. 131**

The purpose of this concurrent resolution is to request the Attorney General to continue to monitor implementation of recommendations and expand the Domestic Violence Working Group to encompass issues relating to children and adolescents.

The Commission on the Status of Women, the Department of the Prosecuting Attorney, City and County of Honolulu, the Child and Family Service, the Domestic Violence Clearinghouse and Legal Hotline, the YMCA of Kauai, the State Coalition against Domestic Violence, and the American Association of University Women, Windward Oahu branch testified in support of this measure. The Attorney General supported the measure with technical amendments. The Department of Human Services and the Office of Youth Services testified in support of the intent of the measure.

Your Committees have amended this measure by:

- (1) Adding the Department of Education to the 2000 Domestic Violence Working Group to oversee the implementation of the recommendations made in the "Domestic Violence and Criminal Justice System in Hawaii" report;
- (2) Transmitting a certified copy of the concurrent resolution to the Superintendent of Education; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.C.R. No. 131, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 131, H.D. 1.

Signed by all members of the Committees except Representatives Cachola, Chang, Garcia, Kaho'ohalahala, Kawakami, Morita, Santiago, Stegmaier, Yoshinaga and Thielen.

**SCRep. 1262-00 Energy and Environmental Protection on H.R. No. 55**

The purpose of this resolution is to encourage the counties to adopt standards for new single-family homes that comply with the residential section of Hawaii's Model Energy Code (MEC).

The Department of Business, Economic Development, and Tourism testified in support of this measure. The Gas Company testified in support of the intent of this measure.

Your Committee recognizes the importance of conserving our precious energy resources and believe that the promotion of new residential construction in compliance with the Hawaii Model Energy Code is also a major economic benefit to purchasers of new homes. It is an effective measure to help keep the cost of living down for Hawaii's residents through efficiency and conservation.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 55 and recommends its adoption.

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

**SCRep. 1263-00 Energy and Environmental Protection on H.C.R. No. 54**

The purpose of this concurrent resolution is to encourage the counties to adopt standards for new single-family homes that comply with the residential section of Hawaii's Model Energy Code (MEC).

The Department of Business, Economic Development, and Tourism testified in support of this concurrent resolution. The Gas Company testified in support of the intent of this measure.

Your Committee recognizes the importance of conserving our precious energy resources and believe that the promotion of new residential construction in compliance with the Hawaii Model Energy Code is also a major economic benefit to purchasers of new homes. It is an effective measure to help keep the cost of living down for Hawaii's residents through efficiency and conservation.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 54 and recommends its adoption.

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

**SCRep. 1264-00 Health on H.C.R. No. 44**

The purpose of this concurrent resolution is to have the Hawaii Nurses' Association and the Healthcare Association of Hawaii address issues dealing with:

- (1) Acute-care relating to patient safety;
- (2) Nursing care; and
- (3) Potential nursing shortages.

The Hawaii Nurses' Association testified in support of this measure. The Healthcare Association of Hawaii and HGEA-AFSCME testified in support of this measure with recommendations.

Your Committee has amended this concurrent resolution by:

- (1) Including the input of both private and public sector nurses; and
- (2) Deleting the provision relating to smaller health care facilities.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 44, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 44, H.D. 1.

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

**SCRep. 1265-00 Health on H.R. No. 129**

The purpose of this resolution is to support and encourage bicycling and walking as viable choices for transportation, recreation, and health maintenance.

After careful consideration, your Committee has amended this measure by deleting the proposal regarding program promotion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 129, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 129, H.D. 1.

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

**SCRep. 1266-00 Health on H.C.R. No. 147**

The purpose of this concurrent resolution is to support and encourage bicycling and walking as viable choices for transportation, recreation, and health maintenance.

After careful consideration, your Committee has amended this measure by deleting the proposal regarding program promotion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 147, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 147, H.D. 1.

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

**SCRep. 1267-00 Judiciary and Hawaiian Affairs on H.R. No. 128**

The purpose of this resolution is to request that the State Attorney General review the legal and logistical questions pertaining to automatic permit approval, including case law and statutes enacted in other states pertaining to automatic permit approval, and thereafter recommend statutory changes to address concerns regarding quorum, rulemaking, constitutional protections, and citizens' rights to due process.

Testimony in support of this resolution was received from the State Attorney General. Testimony in opposition to this resolution was received from Land Use Research Foundation of Hawaii.

Your Committee finds that the provisions of this resolution address the concerns of some that automatic permit approval will be misused to short-circuit existing public input processes.

Your Committee has amended this resolution by providing that the Legislative Reference Bureau, as opposed to the Attorney General, will have the aforementioned responsibilities of conducting the review of legal and logistical questions pertaining to automatic permit approval, and preparing the report for the Legislature. Your Committee has also amended the title of this resolution to reflect the aforementioned amendments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 128, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 128, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1268-00 Judiciary and Hawaiian Affairs on H.C.R. No. 146**

The purpose of this resolution is to request that the State Attorney General review the legal and logistical questions pertaining to automatic permit approval, including case law and statutes enacted in other states pertaining to automatic permit approval, and thereafter recommend statutory changes to address concerns regarding quorum, rulemaking, constitutional protections, and citizens' rights to due process.

Testimony in support of this resolution was received from the State Attorney General. Testimony in opposition to this resolution was received from Land Use Research Foundation of Hawaii.

Your Committee finds that the provisions of this resolution address the concerns of some that automatic permit approval will be misused to short-circuit existing public input processes.

Your Committee has amended this resolution by providing that the Legislative Reference Bureau, as opposed to the Attorney General, will have the aforementioned responsibilities of conducting the review of legal and logistical questions pertaining to automatic permit approval, and preparing the report for the Legislature. Your Committee has also amended this resolution by amending its title to reflect the aforementioned amendments.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 146, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 146, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1269-00 Finance on H.C.R. No. 52**



The purpose of this House Concurrent Resolution is to request the Department of Education to facilitate and assist efforts to strengthen and evaluate existing student leadership programs.

Your committee would like to acknowledge the outstanding efforts of the students from Hilo High School, Kalaniana'ole Intermediate and Elementary School, Laupahoehoe High and Middle School, Paauilo Intermediate and Elementary School, Honokaa High and Intermediate School, and Kohala High and Intermediate Schools. Your committee has made one technical amendment.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 52, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 52, H.D. 1.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1270-00 Public Safety and Military Affairs on H.R. No. 45**

The purpose of this resolution is to urge that the Secretary of Veterans Affairs and the congressional leaders work towards allowing Filipino-American veterans who served under USAFFE, the Philippine Army, the Philippine Scouts, or recognized guerrilla units to be interred in national or state veterans' cemeteries.

Your Committee received testimony in support of this measure from the Office of Veterans' Services and the World War II Fil-Am Veterans, Hawaii Chapter.

Your Committee has amended this resolution by:

- (1) Changing the title to read, "HOUSE RESOLUTION REQUESTING THE SECRETARY OF VETERANS AFFAIRS AND CONGRESSIONAL LEADERS TO WORK TOWARD ALLOWING FILIPINO-AMERICAN VETERANS TO BE INTERRED IN NATIONAL OR STATE CEMETERIES."
- (2) Changing the word "buried" to "interred" where it occurred in the resolved sections of the resolution.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 45, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 45, H.D. 1.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1271-00 Public Safety and Military Affairs on H.C.R. No. 40**

The purpose of this concurrent resolution is to urge that the Secretary of Veterans Affairs and the congressional leaders work towards allowing Filipino-American veterans who served under USAFFE, the Philippine Army, the Philippine Scouts, or recognized guerrilla units to be interred in national or state veterans' cemeteries.

Your Committee received testimony in support of this measure from the Office of Veterans' Services and the World War II Fil-Am Veterans, Hawaii Chapter.

Your Committee has amended this concurrent resolution by:

- (1) Changing the title to read, "HOUSE CONCURRENT RESOLUTION REQUESTING THE SECRETARY OF VETERANS AFFAIRS AND CONGRESSIONAL LEADERS TO WORK TOWARD ALLOWING FILIPINO-AMERICAN VETERANS TO BE INTERRED IN NATIONAL OR STATE CEMETERIES."
- (2) Changing the word "buried" to "interred" where it occurred in the resolved sections of the resolution.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 40, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 40 H.D. 1.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1272-00 Agriculture on H.R. No. 38**

The purpose of this resolution is to request the Department of Agriculture (DOA) to sponsor a contest for elementary school children to help select an official tropical fruit of the state of Hawaii.

Testimony in support of this measure was received from the Representative of the 17th House District, the Pineapple Growers Association of Hawaii, Dole Food Company Hawaii, and several students from John H. Wilson Elementary School. DOA testified in opposition of this resolution.

Your Committee notes that there are several endemic and indigenous fruits in Hawaii. It is your Committee's belief that, consistent with Hawaii's endemic and indigenous state flower, bird, fish and tree, the following endemic and indigenous fruits be considered in the selection of an official tropical fruit of the state of Hawaii: 'Akala, Ohelo, 'Ohi'a, 'Ai, Lama, Na'u, Olopua, Loulu, Pu Hala, and Iliahi.

Your Committee has amended this resolution by:

- (1) Adding the Department of Education as a sponsor of this contest; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 38, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 38, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1273-00 Agriculture on H.C.R. No. 32**

The purpose of this concurrent resolution is to request the Department of Agriculture (DOA) to sponsor a contest for elementary school children to help select an official tropical fruit of the state of Hawaii.

Testimony in support of this measure was received from the Representative of the 17th House District, the Pineapple Growers Association of Hawaii, Dole Food Company Hawaii, and several students from John H. Wilson Elementary School. DOA testified in opposition of this measure.

Your Committee notes that there are several endemic and indigenous fruits in Hawaii. It is your Committee's belief that, consistent with Hawaii's endemic and indigenous state flower, bird, fish and tree, the following endemic and indigenous fruits be considered in the selection of an official tropical fruit of the state of Hawaii: 'Akala, Ohelo, "Ohi'a, 'Ai, Lama, Na'u, Olopua, Loulu, Pu Hala, and Iliahi.

Your Committee has amended this concurrent resolution by:

- (1) Adding the Department of Education as a sponsor of this contest; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 32, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 32, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1274-00 Agriculture on H.R. No. 39**

The purpose of this resolution is to request the Department of Agriculture (DOA) to sponsor a contest for elementary school children to help select an official tropical fruit juice of the state of Hawaii.

Testimony in support of this measure was received from the Representative of the 17th House District, the Pineapple Growers Association of Hawaii, Dole Food Company Hawaii, and several students from John H. Wilson Elementary School. DOA testified in opposition of this resolution.

Your Committee has amended this Resolution by:

- (1) Adding the Department of Education as a sponsor of this contest; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 39, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 39, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1275-00 Agriculture on H.C.R. No. 33**

The purpose of this concurrent resolution is to request the Department of Agriculture (DOA) to sponsor a contest for elementary school children to help select an official tropical fruit juice of the state of Hawaii.

Testimony in support of this measure was received from the Representative of the 17th House District, the Pineapple Growers Association of Hawaii, Dole Food Company Hawaii, and several students from John H. Wilson Elementary School. DOA testified in opposition of this resolution.

Your Committee has amended this concurrent resolution by:

- (1) Adding the Department of Education as a sponsor of this contest; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 33, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 33, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Morihara, Suzuki, Rath and Whalen.

**SCRep. 1276-00 Consumer Protection and Commerce on S.B. No. 3129**

The purpose of this measure is to extend the sunset date from July 1, 2000, to July 1, 2002, for the exemption from medical licensure for Hawaiian healing practices. This measure also extends the submission date of the final report by the panel to twenty days prior to the convening of the Regular Session of 2002.

The Board of Medical Examiners commented on the bill.

Technical, nonsubstantive amendments were made for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3129, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3129, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1277-00 Consumer Protection and Commerce on S.B. No. 2333**

The purpose of this bill is to provide condominium associations with relief from the burden of delinquent maintenance fees associated with apartments undergoing foreclosure. This has become an increasingly serious problem as a result of the recent economic downturn.

Specifically, the measure allows condominium associations to recover delinquent maintenance fees that accrue prior to a foreclosure, under the following conditions:

- (1) The fees are to be recovered from the foreclosure purchaser so long as the association has filed a notice of lien against the delinquent apartment before the purchase is recorded. Fees may be recovered from the person who subsequently purchases the apartment from the foreclosure purchaser if the association lien is filed prior to the subsequent purchaser's acquisition of title; and
- (2) Delinquent fees that may be recovered are limited to the amount of regular monthly common assessments remaining unpaid during the six months immediately preceding completion of the foreclosure, with a maximum authorized recovery of \$1,800.

The law sunsets on December 31, 2003.

Your Committee received testimony in support of this bill from the Real Estate Commission, Hawaii Council of Associations of Apartment Owners, Hawaii Bankers Association, Association of Apartment Owners of Makakilo Hale I, Inc., Yacht Harbor Towers Owners Association, Mortgage Bankers Association of Hawaii, and Community Associations Institute.

Your Committee understands that this measure is the product of a compromise between the positions of condominium groups and lenders, and that it represents the general consensus of the members of the two groups.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2333, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1278-00 Consumer Protection and Commerce on S.B. No. 2711**

The purpose of this bill is to reduce unnecessary costs of government regulation by:

- (1) Authorizing the expeditious, streamlined repeal of outdated administrative rules that are based on repealed statutes or ordinances;
- (2) Reducing unauthorized and excessive regulation through Legislative Management Committee oversight of agency rulemaking with the purpose of excising rules that exceed statutory authority; and
- (3) Discouraging enactment of unnecessary or excessive regulation by requiring that agency justification be provided for rules imposing regulation in excess of federal requirements.

Testimony in support of this bill was received from the Housing and Community Development Corporation of Hawaii, Land Use Research Foundation of Hawaii, and Small Business Regulatory Review Board. The Department of Business, Economic Development, and Tourism and the Chamber of Commerce of Hawaii submitted testimony in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2711, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1279-00 Consumer Protection and Commerce on S.B. No. 2527**

The purpose of this measure is to make clear that when a board of directors of an association (board), as opposed to a board member, intends to use association funds to distribute proxies, the board must at least 30 days prior to distribution, post in prominent locations within the condominium project, notice of its intent to distribute the proxies. The measure also allows a copy, facsimile telecommunication, or other reliable and complete reproduction of a proxy to be used in lieu of the original proxy.

Testimony in support of this measure was received from the Real Estate Commission, Hawaii Council of Associations of Apartment Owners, Hawaii Independent Condominium and Cooperative Owners, and Community Associations Institute.

Your Committee finds that this law corrects an ambiguity in the condominium law that has confused condominium owners, managers, and boards for more than a decade. The bill also increases the flexibility of the law without diluting protections to apartment owners.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2527, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1280-00 Consumer Protection and Commerce on S.B. No. 2814**

The purpose of this measure is to streamline the administration of the insurance law and to facilitate an understanding of the requirements governing the insurance industry. This measure codifies certain sections of the Hawaii Administrative Rules relating to proxies, consents, and authorization of domestic stock insurers, mass merchandising of motor vehicle insurance, an insurance holding company system, and the motor vehicle insurance law.

The Insurance Division of the Department of Commerce and Consumer Affairs submitted testimony in strong support of this measure. The Consumer Lawyers of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2814, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Herkes, Hiraki, Takumi and Yoshinaga.

**SCRep. 1281-00 Judiciary and Hawaiian Affairs on S.B. No. 2621**

The purpose of this bill is to collect data on fireworks related injuries by requiring health care facilities to report all incidents of injuries and fatalities caused by fireworks to the Department of Health (DOH) and the police department of the county in which the person was attended or treated.

Testimony in support of this bill was received from DOH, Legislative Information Services of Hawaii, and Hawaii Nurses' Association.

Your Committee finds that there is no organized method of reporting fireworks related injuries, and therefore, no reliable data compilation of fireworks related injuries occurring in Hawaii. Your Committee encourages further discussion by the conference committee of the issue requiring identification of the type(s) of fireworks which cause any particular injury, and the reporting of that information to DOH. Your Committee recognizes that fireworks related injury reporting might be more meaningful with the inclusion of identification of the types of fireworks involved in those incidents.

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

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2621, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2621, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1282-00 Judiciary and Hawaiian Affairs on S.B. No. 2849**

The purpose of this bill is to clearly define when the Department of Human Services will begin to calculate the period that a child has been in out-of-home placement.

Testimony in support of this measure was received from the Department of Human Services.

Your Committee finds that the provisions of this bill will result in more consistent application of federal time requirements under the Adoption and Safe Families Act of 1997.

Your Committee has amended this measure by making a technical, non-substantive amendment for purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2849, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2849, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1283-00 Judiciary and Hawaiian Affairs on S.B. No. 3079**

The purpose of this bill is to:

- (1) Remove the pre-arrest provision that requires either police or school authorities to warn or request a suspect to leave; and
- (2) Change the definition of "public school" for purposes of criminal trespass in the first degree to that set forth in Section 302A-101, Hawaii Revised Statutes.

The Department of Education, the Hawaii Association of Independent Schools, the Department of the Prosecuting Attorney for the County of Maui, and the Honolulu Police Department testified in support of the measure. The Office of the Public Defender testified in opposition to the measure.

Your Committee has amended this bill by maintaining the pre-arrest warning requirement, except between the hours of 10:00 p.m. and 5:00 a.m., when most people have no legitimate business on campus.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3079, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3079, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1284-00 Judiciary and Hawaiian Affairs on H.R. No. 65**

The purpose of this resolution is to urge the Department of the Attorney General and the Department of Justice to conduct an investigation into the "Peter Boy" Kema case.

A concerned individual testified in support of the measure.

Your Committee finds that despite investigation by the Hawaii county police department, there has been no apparent progress in the case and no resolution of the question as to the whereabouts of Peter Boy.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 65, H.D. 1, and recommends its adoption.

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

**SCRep. 1285-00 Judiciary and Hawaiian Affairs on H.C.R. No. 74**

The purpose of this resolution is to urge the Department of the Attorney General and the Department of Justice to conduct an investigation into the "Peter Boy" Kema case.

A concerned individual testified in support of the measure.

Your Committee finds that despite investigation by the Hawaii county police department, there has been no apparent progress in the case and no resolution of the question as to the whereabouts of Peter Boy.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 74, H.D. 1, and recommends its adoption.

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

**SCRep. 1286-00 Judiciary and Hawaiian Affairs on H.R. No. 69**

The purpose of this resolution is to request Hawaii's congressional delegation to introduce appropriate measures in the United States Congress calling for:

1. An official apology from the President of the United States to the people of the Republic of the Marshall Islands for injuries sustained by Marshall Islanders as a result of the United States nuclear testing; and
2. Increasing funding to the Republic of the Marshall Islands in the renegotiated Compact of Free Association as just compensation for nuclear-related injuries and deaths and for expanded medical care for affected Marshall Islanders.

The American Cancer Society, the American Friends Service Committee, and concerned individuals testified in support of this measure.

Your Committee finds that United States funding for medical surveillance and treatment programs is inadequate to meet the needs of the exposed population in the Marshall Islands. Your Committee further finds that the State of Hawaii as a result of the Compact of Free Association has been called upon to carry the burden of providing health, education and housing services to the Marshall Islanders.

Your Committee amended this resolution by:

1. Urging the Housing and Community Development Corporation of Hawaii to pursue possible federal funding to help the Marshall Islanders who are living in public housing in the State of Hawaii; and
2. Requiring copies of this resolution to be transmitted to the Housing and Community Development Corporation of Hawaii, and to the Healthcare Association of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 69, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 69, H.D. 1.

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

**SCRep. 1287-00 Judiciary and Hawaiian Affairs on H.C.R. No. 63**

The purpose of this resolution is to request Hawaii's congressional delegation to introduce appropriate measures in the United States Congress calling for:

1. An official apology from the President of the United States to the people of the Republic of the Marshall Islands for injuries sustained by Marshall Islanders as a result of the United States nuclear testing; and
2. Increasing funding to the Republic of the Marshall Islands in the renegotiated Compact of Free Association as just compensation for nuclear-related injuries and deaths and for expanded medical care for affected Marshall Islanders.

The American Cancer Society, the American Friends Service Committee, and concerned individuals testified in support of this measure.

Your Committee finds that United States funding for medical surveillance and treatment programs is inadequate to meet the needs of the exposed population in the Marshall Islands. Your Committee further finds that the State of Hawaii as a result of the Compact of Free Association has been called upon to carry the burden of providing health, education and housing services to the Marshall Islanders.

Your Committee amended this resolution by:

1. Urging the Housing and Community Development Corporation of Hawaii to pursue possible federal funding to help the Marshall Islanders who are living in public housing in the State of Hawaii; and
2. Requiring copies of this resolution to be transmitted to the Housing and Community Development Corporation of Hawaii, and to the Healthcare Association of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 63, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 63, H.D. 1.

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

**SCRep. 1288-00 Judiciary and Hawaiian Affairs on H.R. No. 131**

The purpose of this resolution is to request that the Department of Hawaiian Home Lands consider the views of McCully/Moiliili area residents concerning future development of Department of Hawaiian Home Lands property where the Stadium Bowl-O-Drome operated until its closure on December 31, 1999.

Testimony in support of this resolution was provided by the Honolulu Japanese Chamber of Commerce and concerned individuals. Testimony in opposition to this resolution was provided by the State Council of Hawaiian Homestead Associations and a concerned individual. The Department of Hawaiian Homelands and a concerned individual commented on this resolution.

Your Committee finds it beneficial to foster community harmony by encouraging residents to express their hopes concerning development expected to take place in their neighborhood. At the same time, your Committee acknowledges that the Department of Hawaiian Home Lands is under a strict fiduciary duty to manage the site for the benefit of its beneficiaries.

Your Committee has amended this resolution by deleting (1) the list of community concerns articulated to date, and (2) the requirement that the Department of Hawaiian Home Lands report its findings and recommendations to the Legislature.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 131, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 131, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1289-00 Judiciary and Hawaiian Affairs on H.C.R. No. 149**

The purpose of this resolution is to request that the Department of Hawaiian Home Lands consider the views of McCully/Moiliili area residents concerning future development of Department of Hawaiian Home Lands property where the Stadium Bowl-O-Drome operated until its closure on December 31, 1999.

Testimony in support of this resolution was provided by the Honolulu Japanese Chamber of Commerce and concerned individuals. Testimony in opposition to this resolution was provided by the State Council of Hawaiian Homestead Associations and a concerned individual. The Department of Hawaiian Homelands and a concerned individual commented on this resolution.

Your Committee finds it beneficial to foster community harmony by encouraging residents to express their hopes concerning development expected to take place in their neighborhood. At the same time, your Committee acknowledges that the Department of Hawaiian Home Lands is under a strict fiduciary duty to manage the site for the benefit of its beneficiaries.

Your Committee has amended this resolution by deleting (1) the list of community concerns articulated to date, and (2) the requirement that the Department of Hawaiian Home Lands report its findings and recommendations to the Legislature.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 149, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 149, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Chang, Hiraki, Yoshinaga and Auwae.

**SCRep. 1290-00 Economic Development and Business Concerns on S.B. No. 2121**

The purpose of this bill is to repeal or make conforming amendments to various statutes that have either been repealed by implication, or by their own terms by operation of law, and are now deemed to have accomplished their intended purpose.

The National Federation of Independent Business and an individual testified in support of the measure. The Department of Accounting and General Services testified in support of bill as it pertains to the federal Revenue Maximization Revolving Fund. The Legislative Reference Bureau submitted comments on the measure.

Your Committee has amended this bill by:

- (1) Removing the purpose section;
- (2) Adding provisions of H.B. No. 2581 H.D. 1 that repeal unnecessary administrative rules;
- (3) Adding provisions of H.B. No. 2582 H.D. 1 that expedite the repeal of obsolete or unauthorized administrative rules;
- (4) Adding provisions of H.B. No. 2587 H.D. 1 that repeal null and void administrative rules; and
- (5) Making technical, nonsubstantive changes for clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2121, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2121, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Abinsay, Ito and Halford.

**SCRep. 1291-00 Judiciary and Hawaiian Affairs on S.B. No. 915**

The purpose of this bill is to require replacement candidates to fill out an application for nomination, sign the proper certifications, and take either the oath or affirmation of loyalty.

The State Office of Elections and Common Cause Hawaii testified in support of this measure.

Your Committee finds that under current election law replacement candidates are not required to provide the same certifications as initial candidates.

Your Committee has amended this measure by changing the required oath or affirmation "of loyalty" to "as provided by law."

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 915, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 915, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kaho'ohalahala and Yoshinaga.

**SCRep. 1292-00 Judiciary and Hawaiian Affairs on S.B. No. 2147**

The purpose of this measure is to eliminate graduated limits on campaign contributions to candidates for different races.

The Campaign Spending Commission and a concerned individual testified in support of this measure. The League of Women Voters testified in support of the intent of the measure and suggested amendments.

Your Committee finds that S.B. No. 2147, as introduced, proposed a reduction in campaign spending limits to compensate for shorter than usual terms of office following the November 2002, elections, because of reapportionment. Your Committee further finds that extending the reduced limits to all races during the 2002 election cycle, as provided for in S.B. No. 2147, S.D. 1, makes



for greater simplicity. Your Committee believes it is appropriate to return to the present system of graduated funding levels following completion of the reapportionment process.

Your Committee further finds it appropriate to provide for return of excess funds to contributors who may be unaware of the limits.

Accordingly, your Committee has amended this bill by:

- (1) Adding a sunset provision for the reduced limits effective after the 2002 election; and
- (2) Adding a new section that amends section 11-204(e), Hawaii Revised Statutes, to provide that excess funds received by a candidate or committee beyond the applicable limit will be returned to the donor rather than be transferred to the Hawaii Election Campaign Fund.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2147, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2147, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Lee, Morita, Yoshinaga, Thielen and Whalen.

#### **SCRep. 1293-00 Judiciary and Hawaiian Affairs on S.B. No. 2151**

The purpose of this bill as received by your Committee is as follows: 1) To provide for the issuance of firearms owner identification cards; 2) to regulate the sale of firearm ammunition; 3) to require re-registration of firearms; and 4) to require reporting by certain persons of their treatment of patients with the conditions listed in Section 134-7(c), Hawaii Revised Statutes.

Testimony in support of this measure was received from the State Department of the Attorney General Health and Human Services Division, Department of Health, Commission on the Status of Women, City and County of Honolulu Department of the Prosecuting Attorney, Hawaii Citizens' Rights PAC, The Bell Campaign, Hawaii Firearms Control Coalition, Keiki Injury Prevention Coalition, League of Women Voters, and a number of concerned individuals. Testimony in opposition to this measure was received from the Hawaii Rifle Association, Hawaii Psychiatric Medical Association, Mental Health Association in Hawaii, Hawaii Medical Association, Hawaii Psychological Association, and a number of concerned individuals. Testimony was also received from the City and County of Honolulu Police Department and Kaiser Permanente.

Your Committee finds that the community goal of creating a safe environment for all citizens of the State will be furthered by periodic inquiry into mental health histories and criminal records of registered gun owners, and by periodic updates of State registry via statements by registrants.

Your Committee has amended this bill as follows:

- (1) Deleting the provisions regarding firearms owner identification cards, sales of ammunition, re-registration, and mandatory health care provider reporting of patients treating for certain conditions; and
- (2) Inserting provisions regarding the following:
  - (a) Periodic mental health history and criminal record inquiry;
  - (b) Registry update by submission of statements made under penalty of perjury; and
  - (c) Penalties for failure to cooperate with county police in the implementation of the aforementioned provisions, and for failure to comply with the same.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2151, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2151, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

#### **SCRep. 1294-00 Judiciary and Hawaiian Affairs on S.B. No. 2154**

The purpose of this bill as received is to amend Chapter 586, Hawaii Revised Statutes, as follows:

- (1) Amend the definition of "family or household member" to include persons in or formerly in a dating relationship;

- (2) Define "dating relationship";
- (3) Require courts to make written findings of its determination of the existence of a dating relationship;
- (4) Amend the types of conduct to be restrained by temporary restraining orders;
- (5) Amend provisions regarding extensions of protective orders, form and service of protective orders, reporting to, and reports by, the Department of Human Services, and penalties for violations of protective orders; and
- (6) Create provisions regarding foreign protective orders.

Testimony in support of this measure was received from the Commission on the Status of Women, the County of Maui Department of the Prosecuting Attorney, the Hawaii State Coalition Against Domestic Violence, Child and Family Service, the YWCA of Kauai, and several individuals. Testimony commenting on the measure was received from the Office of the Public Defender, the Judiciary, the City and County of Honolulu Police department and the City and County of Honolulu Department of the Prosecuting Attorney.

Your Committee finds that persons in dating relationships may often need the same protection as would family and household members where the relationships become abusive.

Your Committee has amended this measure by deleting all its provisions and inserting the contents of H.B. 1838, H.D. 1, providing for the following:

- (1) A definition of "dating relationship";
- (2) Factors to be considered by a court in its determination as to whether a dating relationship exists;
- (3) Amendment of the definition of "family or household member" to include persons who have or have had a dating relationship;
- (4) Amendment of the types of conduct which may be enjoined by a restraining order; and
- (5) Addition of incapacitated persons to the list of those for whom reporting of their involvement in domestic abuse cases to the Department of Human Services are required, and for whom reports by the Department of Human Services to the family court must be made.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2154, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2154, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Lee, Morita, Yoshinaga, Thielen and Whalen.

#### **SCRep. 1295-00 Judiciary and Hawaiian Affairs on S.B. No. 2352**

The purpose of this bill is to revise Hawaii's statutes relating to computer based criminal activity.

The Department of the Attorney General, the Department of the Prosecuting Attorney for the City and County of Honolulu, the law firm of Goodsell Anderson Quinn & Stifel, and a concerned individual testified in support of the measure. The Office of the Public Defender and the Honolulu Police Department testified in opposition to the measure.

Your Committee finds that better computer crime laws are needed to protect the public. At the same time, more study and input by both the private and public sectors are needed to develop comprehensive laws on the subject.

Your Committee amended this bill by deleting the contents of bill and inserting provisions that:

- (1) Create the criminal offenses of:
  - (a) Computer Fraud in the First Degree, a class B felony;
  - (b) Computer Fraud in the Second Degree, a class C felony;
  - (c) Computer Damage in the First Degree; a class B felony; and
  - (d) Computer Damage in the Second Degree, a class C felony;
- (2) Subject to forfeiture any property used in the commission of a computer offense;

- (3) Extend jurisdiction for prosecution of computer offense to beyond Hawaii;
- (4) Extend the statute of limitation for these crimes to five years;
- (5) Define extortion to include threats of damaging someone's computer;
- (6) Amend Section 708-890, Hawaii Revised Statutes (HRS) by:
  - (a) Making revisions to definitions of Access, Computer, Computer Equipment, Computer Network, Computer Program, Computer Service, Data and Property;
  - (b) Adding definitions of Damage, Obtain Information, Rule of Court and Statute; and
  - (c) Deleting definitions of Disruption and Injury;
- (7) Amend Section 708-891, HRS to create the offense of Unauthorized Computer Access in the First Degree, a class B felony;
- (8) Amend Section 708-892, HRS to create the offense of Unauthorized Computer Access in the Second Degree, a class C felony;
- (9) Amend Section 708-893, HRS to create the offense of Unauthorized Computer Access in the Third Degree, a misdemeanor; and
- (10) Create a committee consisting of private and public sector representatives to study the subject of computer crime laws and to report on improving our laws regarding computer crimes.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2352, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2352, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Lee, Morita, Yoshinaga, Thielen and Whalen.

**SCRep. 1296-00 Judiciary and Hawaiian Affairs on S.B. No. 2480**

The purpose of this bill is to give the family courts discretion to permit service by mail in lieu of publication where a plaintiff files an affidavit attesting to impoverishment and that the whereabouts of the defendant are unknown.

Testimony in support of this measure was received from the State Commission on the Status of Women, and Hawaii Women's Coalition. Testimony was also received from the Judiciary.

Your Committee finds that the provisions of this bill will assist those with low incomes in changing marital status.

Your Committee has amended this measure by deleting the proposed language of subsection (e) to Section 580-3, Hawaii Revised Statutes, and replacing it with the following provisions:

- (1) Mandating the court to order that service may be made by registered or certified mail where a plaintiff files an affidavit attesting to impoverishment and that the whereabouts of the person sought to be served are unknown;
- (2) Providing that service shall be completed thirty days after mailing; and
- (3) Mandating that plaintiff must attest to the fact of the mailing by affidavit with attachments.

Your Committee has further amended this measure by deleting the technical, nonsubstantive proposed changes.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2480, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2480, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Lee, Morita, Yoshinaga, Thielen and Whalen.

**SCRep. 1297-00 Judiciary and Hawaiian Affairs on S.B. No. 2535**

The purpose of this bill is to delete an unnecessary phrase from the probate code.

Testimony in support of this measure was provided by a member of the Committee on the Uniform Probate Code and Probate Court Practices.

Your Committee finds that the deleted phrase is superfluous and unnecessary. In Hawaii, an eighteen-year-old is eligible to serve as a personal representative and may nominate another to serve in the person's place.

Your Committee made one technical, nonsubstantive change for style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2535, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2535, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Kaho'ohalahala, Yoshinaga and Whalen.

**SCRep. 1298-00 Judiciary and Hawaiian Affairs on S.B. No. 2666**

The purpose of this bill, as received, is to prohibit certain election day officials from being family members of candidates, candidates who lost in a primary election, and members of the same party.

The League of Women Voters of Hawaii provided testimony in support of this bill, with proposed amendments concerning public funding of election campaigns. Common Cause of Hawaii provided testimony commenting on this bill, with proposed amendments concerning public funding of election campaigns.

Your Committee finds existing statutes and Office of Elections policies adequate to assure impartiality of election day officials. Your Committee further finds it appropriate to enhance confidence in our election system by encouraging public funded election alternatives.

Your Committee has amended this bill by deleting its contents and inserting the contents of H.B. 1879, H.D. 2, which establishes a pilot program for public funding of the City and County of Honolulu council election for 2000 for candidates who voluntarily abide by specified contribution and expenditure limits.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2666, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2666, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1299-00 Judiciary and Hawaiian Affairs on S.B. No. 2667**

The purpose of this bill is to extend the time for the chief election officer or clerk to accept nomination papers if no candidates have filed for an elective office.

Testimony in support of this measure was provided by the Office of Elections.

Your Committee believes this provision will encourage wider participation in contests for elective office.

Your Committee has amended this bill by:

- (1) Deleting the words "next succeeding" from the phrase "fiftieth day prior to the next succeeding . . . election" to clarify that the extended deadline occurs before the immediately following election; and
- (2) Adding a reference to the "special primary" in the phrase following "fiftieth day prior" for consistency with the three elections (primary, special primary, and special) mentioned earlier in the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2667, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2667, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Kaho'ohalahala, Yoshinaga and Whalen.

**SCRep. 1300-00 Judiciary and Hawaiian Affairs on S.B. No. 2670**

The purpose of this measure is to modify current election law to allow a ballot checkbox to appear on either the right or the left of a candidate's name.

Testimony in support of this bill was provided by the Office of Elections.

Your Committee finds it reasonable to allow flexibility in the design of ballot format, to accommodate different voting systems.

Your Committee made non-substantive changes to conform with standard legislative drafting style.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2670, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2670, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hiraki, Kaho'ohalahala, Yoshinaga and Whalen.

**SCRep. 1301-00 Judiciary and Hawaiian Affairs on S.B. No. 2930**

The purpose of this bill is to amend Hawaii's Uniform Controlled Substance Act to be consistent with changes to federal and state law.

The Department of Public Safety testified in support of the measure. The Office of the Public Defender provided comments on the measure.

Your Committee finds that this measure will bring the Hawaii Uniform Controlled Substance Act into conformity with the changes in federal and state law.

Your Committee amended this bill to revise Section 329-14(b) of the Hawaii Revised Statutes to be consistent with the Federal Code of Federal Regulations Volume 21, Section 1308.11(b), Opiates.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2930, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2930, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Chang, Lee, Morita, Yoshinaga Thielen and Whalen.

**SCRep. 1302-00 Judiciary and Hawaiian Affairs on S.B. No. 3133**

The purpose of this bill is to:

- (1) Expand prohibition of street solicitation of prostitution in Waikiki to other areas designated by the council of the appropriate county; and
- (2) Deny bail to those persons arrested for violating terms of bail or of probation upon entering these prohibited designated areas.

The Department of the Prosecuting Attorney for the City and County of Honolulu, Wahiawa Neighborhood Board No.26, the Honolulu Police Department and a concerned individual testified in support of the measure. A petition signed by a number of concerned individuals was also submitted in support of the measure. The American Civil Liberties Union of Hawaii and the Libertarian Party of Hawaii testified in opposition to the measure.

Your Committee finds that allowing counties to designate additional areas as "prostitution-free zones" may provide counties with a way to address the proliferation of prostitution beyond the Waikiki area.

Your Committee has amended this bill by:

- (1) Limiting the county designations to four special areas, each with a maximum of three square miles; and
- (2) Conforming Section 804-4(a), Hawaii Revised Statutes to reflect that bail shall be denied to persons arrested for violating terms of bail or of probation upon entering these prohibited designated areas.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3133, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3133, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 1303-00 Judiciary and Hawaiian Affairs on S.B. No. 2477**

The purpose of this bill is to specify that the Office of Hawaiian Affairs (OHA) trustee candidates must be of Hawaiian descent.

The Department of the Attorney General and OHA testified in support of the measure. The Hawaiian Political Action Council of Hawaii testified in opposition to this measure. Concerned individuals provided comments.

Your Committee finds that reserving trustee candidacy to those of Hawaiian decent is consistent with the Hawaii State Constitution, and is in the best interest of the beneficiaries of OHA's trust.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2477, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga and Whalen.

**SCRep. 1304-00 Judiciary and Hawaiian Affairs on S.B. No. 2465**

The purpose of this bill is to amend the promoting pornography for minors exemption for public library staff by narrowing the exemption to a person acting within the scope of their employment.

The Hawaii State Public Library System, the Honolulu Police Department, and the Hawaii Catholic Conference testified in support of the measure.

Your Committee finds that there is no justification in continuing to provide a public library exemption beyond incidents where the person is acting within the scope of their employment.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2465, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1305-00 Judiciary and Hawaiian Affairs on S.B. No. 2635**

The purpose of this bill is to strengthen restrictions on highway vending activities, and to expedite the resolution of violations of those restrictions.

Testimony in support of this measure was received from the State Department of Transportation and the City and County of Honolulu Department of the Prosecuting Attorney.

Your Committee finds that the provisions of this measure will increase safety on and alongside state highways.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2635 and recommends that it pass Third Reading.

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

**SCRep. 1306-00 Judiciary and Hawaiian Affairs on S.B. No. 2924**

The purpose of this bill is to:

- (1) Remove the requirement that state and county boards adopt administrative rules on procedures for meetings conducted by videoconference; and
- (2) Specify in the notice that the public may attend.

The Office of the Lieutenant Governor, the State Attorney General, and the Office of Information Practices testified in support of this bill. The Chamber of Commerce of Hawaii testified in support of the intent of this bill.

Your Committee finds that this measure will help increase public access to meetings of public agencies, boards, and commissions, by encouraging communication via videoconference.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2924, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1307-00 Judiciary and Hawaiian Affairs on S.B. No. 3038**

The purpose of this bill is to expand the Department of Education's zero tolerance policy regarding possession of intoxicating alcohol, illicit drugs, and dangerous weapons, to include the possession, sale, consumption, or use of intoxicating liquor or illicit drugs and the possession, sale, or use of dangerous weapons.

Testimony in support of this measure was received from the State Department of Education and the Hawaii State Teachers Association.

Your Committee finds that discipline has become an increasingly difficult problem for teachers and students in Hawaii's schools.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3038, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1308-00 Judiciary and Hawaiian Affairs on S.B. No. 3073**

The purpose of the bill is to:

1. Add the habitual driving under the influence of alcohol or drugs offenses to the implied consent law;
2. Define "preliminary screening device"; and
3. Allow the use of a preliminary alcohol screen to determine only probable cause for an arrest, but not to replace the required breath, blood, or urine test.

The Department of Transportation, the Department of the Prosecuting Attorney for the County of Maui, the Honolulu Police Department, Mothers Against Drunk Driving, and a concerned individual testified in support of the measure. The Office of the Public Defender testified in opposition to the measure. The Department of Health provided oral comments.

Your Committee finds that the use of a preliminary alcohol screening device will assist the police in identifying suspected drunk drivers. Your Committee further finds that concerns over the lack of oversight as to minimum standards are unfounded in light of section 321-161(a), Hawaii Revised Statutes (HRS), which requires the Department of Health to develop a program for tests as required under Chapter 286, HRS.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3073, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1309-00 Judiciary and Hawaiian Affairs on S.B. No. 3194**

The purpose of this bill is to enhance the Hawaii Right to Farm Act.

Testimony in support of this bill was provided by the Big Island Farm Bureau, Garst Seed Company, the Hawaii Agriculture Research Center, the Hawaii Egg Producers Cooperative, the Hawaii Export Nursery Association, the Hawaii Farm Bureau Federation, the Maui County Farm Bureau, the Kula Community Association, the Meat and Poultry Association of Hawaii, the Pineapple Growers Association of Hawaii, the Protea Growers Association of Hawaii, the Waialua Farmers Cooperative, and a concerned individual. Hawai'i's Thousand Friends provided testimony in support of this bill with a proposed amendment concerning buffer zones.

Your Committee finds that operators who conduct their agricultural enterprises in a responsible and reasonable manner need to be protected from unreasonable nuisance suits. Your Committee further finds that what may be considered "generally accepted agricultural and management practices" differ from time to time and from one type of agricultural venture to another.

Your Committee notes that a similar bill, H.B. No. 2999, H.D. 2, passed the House earlier this session after hearings before your Committees on Agriculture and Judiciary and Hawaiian Affairs. After careful consideration, your Committee has amended this bill by conforming its substance to that of H.B. No. 2999, H.D. 2, as follows:

- (1) Retaining the enumerated safe-harbor conditions of section 165-4, Hawaii Revised Statutes (HRS), under which a farm operation will not be deemed a nuisance;
- (2) Qualifying a safe-harbor condition by requiring the farm to be "substantially" in compliance with the law that is relevant to the nuisance complaint;
- (3) Restoring the original language of section 165-4, HRS, which authorizes the Department of Agriculture and a court to declare a farming operation a nuisance under certain circumstances;
- (4) Restoring the original language of section 165-5, HRS, regarding the assessing of attorneys' fees in a frivolous nuisance action; and
- (5) Leaving the effective date of the Act unspecified.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3194, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3194, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

#### **SCRep. 1310-00 Consumer Protection and Commerce on S.B. No. 2205**

The purpose of this bill is to:

- (1) Prohibit a nonprofit corporation (nonprofit) that is a private foundation, as defined in the Internal Revenue Code, from:
  - (A) Engaging in any act of self-dealing;
  - (B) Retaining any excess business holdings;
  - (C) Making any investments that would subject it to a federal income tax; and
  - (D) Making any taxable expenditures; and
- (2) Require the nonprofit to distribute, as permitted in its charter of incorporation, amounts necessary to avoid a federal income tax.

Testimony was received in support of this measure from the Department of Commerce and Consumer Affairs and a private attorney.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2205, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

#### **SCRep. 1311-00 Consumer Protection and Commerce on S.B. No. 3192**

The purpose of this measure is to:

- (1) Establish "class 5" which is a new category of captive insurance for a captive insurance company that acts only as a reinsurer or excess insurer;
- (2) Expand the definition of "pure captive insurance company" to include a company that reinsures risks of its parent and affiliated companies; and
- (3) Authorize all captive insurance companies, except for class 3 companies, to utilize an actuarial opinion prepared by a qualified loss reserve specialist deemed appropriate by the Insurance Commissioner when filing statements of financial condition.



This measure will enable organizers to utilize Hawaii-based facilities to participate in the retention of higher levels of risk from sources based in and outside of the United States.

Testimony in support of this measure was submitted by the Department of Commerce and Consumer Affairs, Hawaii Captive Insurance Council Corporation, and Hawaii Captive Insurance Management Inc.

Testimony in opposition to this measure, with proposed amendments, was submitted by the Reinsurance Association of America.

Your Committee finds that this measure has the potential to attract large insurers, reinsurers and other entities in the capital market to form Class 5 companies in this State, thus adding capital resources, support private sector jobs, and enhancing the business image of this State as a captive insurance and reinsurance/excess insurance center of the Pacific Rim.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3192, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

**SCRep. 1312-00 Consumer Protection and Commerce on S.B. No. 2278**

The purpose of this measure is to create an insurance regulatory mechanism by which captive insurance companies that are formed as stock, mutual corporations, or captive reciprocal insurers, and domiciled in the State under Article 19 of the Insurance Code, may be converted to, or merged with or into, another form of captive insurer.

Testimony in support of this measure was submitted by the Hawaii Captive Insurance Council Corporation, Hawaii Captive Insurance Management Inc., and a private attorney.

Testimony in support of this measure, with proposed amendments, was submitted by the Insurance Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure will benefit existing captive insurance companies by allowing them the flexibility to change their corporate form. This bill would also demonstrate to potential captive insurance companies that Hawaii law allows for such conversions.

Your Committee has amended this bill by making nonsubstantive changes for style and clarity by replacing the contents of the bill with the provisions of H.B. No. 2220, a similar bill that was reported from your Committee on Consumer Protection and Commerce earlier in this session.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2278, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2278, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 1313-00 Consumer Protection and Commerce on S.B. No. 2293**

The purpose of this measure is to:

1. Require the Insurance Commissioner to render a decision on any filing with the Insurance Division within thirty days, or such filing will become law; and
2. Repeal the requirement that the Insurance Commissioner hold public hearings on workers' compensation rate filings.

Testimony was received in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee has amended this bill by specifying thirty "calendar" days to avoid confusion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2293, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2293, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 1314-00 Consumer Protection and Commerce on S.B. No. 2562**

The purpose of this measure is to:

- (1) Reorganize existing confidentiality law regarding nonpublic financial information of captive insurance companies;
- (2) Remove the class 4 exemption from filing a risk based capital report with the national association of insurance commissioners; and
- (3) Give the Insurance Commissioner discretion in the method of accounting to be used in writing a statement of financial condition.

Testimony in support of this measure was submitted by the Insurance Division of the Department of Commerce and Consumer Affairs, Hawaii Captive Insurance Management Inc., Hawaii Captive Insurance Council Corporation, and a private attorney.

Testimony in opposition to this measure was submitted by an individual.

Your Committee finds that passage of this measure will simplify and enhance the confidentiality and financial reporting requirements for U.S. and foreign owners of captive insurance companies licensed by the Insurance Division.

Your Committee has amended this bill by replacing its contents with the substantive provisions of H.B. No. 2219, H.D. 1, a similar bill that was reported from your Committee on Consumer Protection and Commerce earlier in this session. This amendment gives the Commissioner the discretion to fulfill the auditing requirement by an independent certified professional accountant or other qualified professional and makes various nonsubstantive changes for style and clarity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2562, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2562, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

#### **SCRep. 1315-00 Consumer Protection and Commerce on S.B. No. 2819**

The purpose of this measure is to establish standards governing life insurance policy illustrations and to regulate the activities of insurers and producers with respect to replacement of existing life insurance policies and annuities.

Testimony was received in support of this measure from the Insurance Division of the Department of Commerce and Consumer Affairs. The Hawaii State Association of Insurance and Financial Advisors support Section 2 of this measure and would like to continue their work with the Insurance Division for Section 3. The American Council of Life Insurers and State Farm Insurance Companies support Section 2 of this measure to the extent that it adopts the National Association of Insurance Commissioners (NAIC) Life Insurance Illustrations Model Regulation, but oppose Section 3, recommending the adoption of the 1998 NAIC Replacement Model with the Iowa amendments.

Your Committee has amended this measure by changing the effective date from July 1, 2005 to July 1, 2050 to facilitate further discussion in Conference Committee of proposed changes set forth in the National Association of Insurance Commissioners March 13, 2000 draft Life Insurance and Annuities Replacement Model Regulation.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2819, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2819, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

#### **SCRep. 1316-00 Judiciary and Hawaiian Affairs on S.B. No. 2001**

The purpose of this bill is to:

- (1) Amend the definition of "employees of the State" to include persons employed by counties as lifeguards who provide lifeguard services at beach parks operated by the counties under licenses or leases from the State or pursuant to executive orders; and
- (2) Requires the State to defend and indemnify the counties against all damages in certain civil actions against the counties involving those parks.

Testimony in support of this measure was received from the County of Kauai Office of the Mayor, County of Kauai Office of the County Clerk, Office of the County Attorney, County of Kauai, Kauai Fire Department, Kaaui Chamber of Commerce, County of Maui Office of the Mayor, County of Maui County Council, County of Hawaii County Council, Hyatt Resorts, Senter Petroleum, Inc., Wilcox Health System, Textron Systems Kauai, Kapaa Business Association, Kikiaola Land Company, Limited,

West Kauai Community Development Corporation, and several concerned individuals. Testimony in opposition to this measure was received from the State Board of Land and Natural Resources and Attorney General. Testimony was also received from The Consumer Lawyers of Hawaii.

Your Committee finds that the State has a strong interest in placing lifeguards at both State and county beach parks, as one of the foremost concerns of the Legislature is the welfare and safety of the people of Hawaii and its visitors.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2001, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Kaho'ohalahala, Morita, Yoshinaga and Pendleton.

**SCRep. 1317-00 Judiciary and Hawaiian Affairs on S.B. No. 2438**

The purpose of this bill is to clarify that the post-judgment interest rate shall be ten percent per year on the total judgment amount.

Testimony in support of this measure was received from the Hawaii Financial Services Association, Hawaii Credit Union League, and two concerned individuals.

Your Committee finds that there is a need to clarify that in civil suits, post-judgment interest shall be allowed on the entire amount of judgments awarded, including situations where pre-judgment interest is a part of the judgment.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2438 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

**SCRep. 1318-00 Judiciary and Hawaiian Affairs on S.B. No. 2982**

The purpose of this bill is to clarify the situations in which a child support lien or public assistance debt lien takes priority over other liens, not including tax liens.

Testimony in support of this measure was received from the State Attorney General.

Your Committee finds that clarification of the law will assist the Child Support Enforcement Agency in the collection of delinquent child support, while addressing the concerns of lenders and other creditors.

Your Committee has amended this measure by changing the effective date.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2982, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2982, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 1319-00 Judiciary and Hawaiian Affairs on S.B. No. 862**

The purpose of this bill is to allow for the acquisition, possession, and use of marijuana for medical purposes.

The Department of Health, the American Civil Liberties Union of Hawaii, the Hawaii Nurses Association, the Life Foundation, the Religion of Jesus Church, Advocates for Consumer Rights, Citizens Advocating Responsible Education, Executive Assessment & Development, Hawaii Public Health Association, It's Hemp!!, the Kokua Council, and concerned individuals testified in support of the measure. The Department of the Prosecuting Attorney for the City and County of Honolulu, the Department of the Prosecuting Attorney for the County of Maui, the Honolulu Police Department, the Maui County Police Department, the American Cancer Society, and the Hawaii Medical Association testified in opposition to the measure. The Department of Attorney General provided comments.

Your Committee finds that this measure will provide for the medical use of marijuana within strict controls that balances health concerns and public safety concerns.

Your Committee has amended this bill by:

- (1) Changing the definition of "adequate supply" to mean an amount not exceeding three mature marijuana plants, four immature marijuana plants, and one ounce of usable marijuana per each mature plant;
- (2) Limiting for the purpose of the definition of "medical use", the term "distribution" to the transfer of marijuana and paraphernalia from the primary caregiver to the qualifying patient;
- (3) Defining "physician" to those licensed with authority to prescribe drugs and registered under section 329-32 Hawaii Revised Statutes (HRS), and excluding those who are physician's assistants as described in HRS section 453-5.3;
- (4) Adding a definition for "usable marijuana"; as the dried leaves and flowers of the plant Cannabis family Moraceae, and any mixture of preparation thereof, that are appropriate for medical use of marijuana; however, not including the seeds, stalks, and roots of the plant;
- (5) Adding in the definition of "written certification" that the Department of Public Safety (DPS) may require, through its rulemaking authority, that all written certificates comply with a designated form and that written certification be valid for a period of only one year from the date of signing;
- (6) Requiring physicians who issue written certifications to supply to the DPS patient information;
- (7) Requiring qualifying patients to register with the DPS; making such registration effective until the expiration of the certificate issued by the physician; requiring the qualifying patient to furnish the DPS with information to identify the patient and the primary caregiver; making clear that a qualifying patient shall have only one primary caregiver;
- (8) Requiring the primary caregiver to register with DPS; making clear that a primary caregiver shall have only one qualifying patient;
- (9) Requiring DPS to verify for law enforcement agencies whether a person is registered with the DPS;
- (10) Protecting a qualifying patient or primary caregiver who complies with the permitted scope of the medical use of marijuana against search and seizures;
- (11) Requiring physicians to comply with registration requirements in order to be protected against arrest or prosecution for providing written certifications;
- (12) Making it a misdemeanor offense for physicians to make fraudulent misrepresentations in written certifications; as well as subjecting physicians to other applicable criminal sanctions; and
- (13) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 862, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 862, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola.  
(Representatives Morita, Auwae, Pendleton and Whalen voted no.)

**SCRep. 1320-00 Consumer Protection and Commerce on S.B. No. 3190**

The purpose of this measure is to:

- (1) Authorize the licensing of "branch" captives; and
- (2) Authorize captive insurance companies to insure personal homeowner's and motor vehicle risks outside the State.

Testimony was received in support of this measure from the Department of Commerce and Consumer Affairs (DCCA) and the Hawaii Captive Insurance Council.

Your Committee finds that this measure would enhance the State's attractiveness as a captive insurance domicile.

Your Committee further finds that the provision allowing captive insurance companies to provide automobile and homeowner's coverage solely for out-of-state risks reflects poorly upon the state's regulatory stature and the financial responsibility of captive insurance companies domiciled in Hawaii. By allowing the coverage of personal risks located only outside of Hawaii, the Legislature would essentially cast a vote of "no confidence" upon the effectiveness of the captive insurance industry.

Your Committee has amended this bill by:

- (1) Removing the provision that restricts captive insurers to providing coverage for personal homeowner's and motor vehicle risks located outside the state of Hawaii;
- (2) Incorporating the amendments suggested by the DCCA to clarify that captive insurance companies may insure personal homeowner's and motor vehicle coverage to the extent allowed by article 19, chapter 431, Hawaii Revised Statutes; and
- (3) Designating a branch captive insurance company as "class 5."

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3190, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3190, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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

**SCRep. 1321-00 Finance on S.B. No. 2058**

The purpose of this bill is to assist eligible low-income workers by allowing these taxpayers to claim:

- (1) Ten percent of the federal earned income tax credit for tax year 2000; and
- (2) Fifteen percent of the federal earned income tax credit for tax year 2001 and beyond.

The Hawaii State Commission on the Status of Women, Welfare and Employment Rights Coalition, and the American Friends Service Committee supported this bill. The Department of Taxation supported the intent of this bill. The Tax Foundation of Hawaii commented on this bill.

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

- (1) Leaving blank the percentages of the federal earned income tax credit that can be claimed for the State income tax; and
- (2) Making technical nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2058, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2058, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1322-00 Finance on S.B. No. 2194**

The purpose of this bill is to provide a refundable income tax credit to an individual who successfully completes an accredited cardiopulmonary resuscitation course.

The American Red Cross and several individuals supported this bill. The Tax Foundation of Hawaii commented on this bill. The Department of Taxation opposed this bill.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2194, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2194, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1323-00 Finance on S.B. No. 2521**

The purpose of this bill is to establish disclosure requirements for purchasing agencies with respect to contracts for professional services of \$250,000 or more.

This bill requires the contracting agency to:

- (1) Post on the agency's bulletin board and on the Internet within an unspecified number of days:
  - (A) The names of the top five qualifiers;
  - (B) The name of the firm or individual awarded the contract;

- (C) The principal officers of the firm awarded the contract; and
  - (D) Any relationship of the principals to the official making the award;
- and
- (2) Annually make available on the agency's bulletin board and on the Internet a report of all contracts for professional services, including the name of the contracting agency and the amount and type of each contract awarded.

The Department of Accounting and General Services supported the intent of the bill, and the American Institute of Architects offered comments.

Your Committee has amended this bill by limiting the information to be posted on the agency's bulletin board and on the Internet to the name of the firm awarded the contract and the amount of the contract.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2521, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2521, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1324-00 Finance on S.B. No. 2736**

The purpose of this bill is to provide funds for the development of infrastructure at Kikala-Keokea where people displaced by volcanic activity are residing on homestead land.

The Housing and Community Development Corporation of Hawaii, the Department of Land and Natural Resources (DLNR), and the Office of Hawaiian Affairs supported this bill.

Your Committee has amended this bill by replacing its contents with H.B. No. 2768, H.D. 1, a similar bill that passed the House earlier this session after public hearings by your Committees on Water and Land Use, Judiciary & Hawaiian Affairs, and Finance.

As amended, this bill:

- (1) Restores the original appropriation amount of \$1,750,000 in section 3 of the bill;
- (2) Removes language from section 6 of the bill that on June 30, 2000, the Director of Finance shall transfer the unexpended balance of the moneys appropriated and deposited into the Housing Finance Revolving Fund pursuant to Act 242, Session Laws of Hawaii (SLH) 1991, into the Infrastructure Development Fund;
- (3) Inserts language that the funds appropriated under Act 242, SLH 1991, shall be deposited into the Infrastructure Development Fund; and
- (4) Makes technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2736, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2736, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1325-00 Finance on S.B. No. 2872**

The purpose of this bill is to make an emergency appropriation to ensure that the Hawaii Health Systems Corporation (Corporation) can repay the State for moneys advanced to pay retroactive and current fiscal year collective bargaining increase payments to state employees assigned to the Corporation.

Specifically, this bill appropriates \$14,500,000 for fiscal year 1999-2000 to pay for the increased payments to state employees assigned to the Corporation.

The Chamber of Commerce of Hawaii, the Hawaii Government Employees Association, and an individual testified in support of the measure. The Corporation submitted comments on the measure.

Your Committee is concerned that despite this emergency appropriation, the Corporation may face an additional shortfall due to its liabilities to the Employees' Retirement System.

Your Committee has amended this bill by:

- (1) Making the appropriation of funds contingent on the Corporation transmitting its accounts receivables that have been outstanding for over 60 days to the Department of Accounting and General Services or its nominee for collection and repayment to the general fund; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2872, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2872, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1326-00 Finance on S.B. No. 2938**

The purpose of this bill is to assure continued state conformity with federal income tax law and to minimize taxpayers' confusion in complying with both state and federal income tax law by, among other things:

- (1) Conforming the state income tax law to the Internal Revenue Code (IRC), amended as of December 31, 1999, as it applies to the determination of gross income, adjusted gross income, ordinary income and loss, and taxable income;
- (2) Providing for confidentiality privileges relating to taxpayer communications; and
- (3) Ensuring that if Congress repeals or terminates the research tax credit in IRC section 41, state law will continue to allow the credit to be claimed for tax years beginning before January 1, 2006.

The Department of Taxation submitted testimony in favor of this bill. The Tax Foundation of Hawaii submitted comments on this bill.

Your Committee has amended this bill by:

- (1) Correcting a reference in the title of the new section from IRC section 7518 to IRC section 7525; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2938, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2938, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1327-00 Finance on S.B. No. 2946**

The purpose of this bill is to ease the financial burden of a taxpayer who feels aggrieved by an assessment of tax by eliminating the requirement to pay an assessed tax prior to appealing the assessment to a District Board of Review (Board).

The Department of Taxation and the Hawaii Society of Certified Public Accountants supported the intent of this measure with suggested amendments. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this bill by replacing its contents with the language of H.B. No. 2605, H.D. 1, a substantially similar bill that passed the House earlier this session by your Committee on Finance.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2946, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2946, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1328-00 Education on S.B. No. 2470**

The purpose of this bill is to redescribe the knowledge and skills that are necessary for Hawaii's public and private school graduates to become productive members of the work force.

Specifically, this bill replaces the term "vocational education" with the term "career and technical education".

Your Committee received testimony in support of this measure from the Board of Regents of the University of Hawaii and the Department of Education.

While hands-on training for specific skills or occupations (i.e., vocational education) will continue to play an important role in the successful transition of students from the classroom to the workforce, your Committee finds that today's graduates must be academically prepared and technically skilled in order to benefit from the hands-on training provided by employers operating in a technology-based economy. More than just a simple name change, this bill is intended to challenge students, educators, and employers to elevate their expectations in concert with the rising demands of the economy.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2470, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Okamura, Santiago, Stegmaier and McDermott.

**SCRep. 1329-00 Education and Labor and Public Employment on S.B. No. 2830**

The purpose of this bill is to:

- (1) Require vice-principals of public schools to meet the same certification and work experience requirements as principals;
- (2) Delete "acting principals" from the provision; and
- (3) Delete the requirement that principals must have one year of experience in Hawaii schools.

The Department of Education (DOE) and an individual testified in support of this bill. The Hawaii Government Employees Association testified in opposition to this bill.

Your Committees find that DOE anticipates a major shortage of school administrators in the next five years. There is an acute need to broaden the State's applicant pool for these positions. Although DOE has made school administrator training a major priority, DOE also needs to be able to seek qualified applicants as freely as possible. Currently, applicants must have worked in Hawaii's schools for at least a year to be hired as a principal. This bill will make it significantly easier for experienced professionals from outside the State, and will augment DOE's efforts to prepare for the anticipated shortage of educational officers.

As affirmed by the records of votes of the members of your Committees on Education and Labor and Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2830 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Hiraki, Okamura, Saiki, Santiago, Stegmaier and McDermott.

**SCRep. 1330-00 Consumer Protection and Commerce on S.B. No. 2563**

The purpose of this measure is to make it an unfair or deceptive act to limit or withhold coverage under insurance policies because a consumer may have a third-party claim for damages. This measure will prevent duplicate recoveries in personal injury claims while creating a fair, uniform and comprehensive procedure governing the rights and obligations of insurance companies and consumers for the reimbursement of insurance benefits from third-party sources of recovery.

Testimony in support of this measure was received from the Department of Commerce and Consumer Affairs (DCCA), Hawaii Medical Services Association (HMSA), and Consumer Lawyers of Hawaii. The Hawaii Health Coalition submitted concerns about this measure.

Workers' compensation and motor vehicle insurance benefits are exempted from this measure because those coverages already have reimbursement rights defined by statute. Health coverage and benefits are exempted from Section 431:13-103 and the same rights and obligations are placed in Section 663-10 for health insurers. The amendment extends health benefit providers' third-party liability rights to settlements, as well as lawsuits under Section 663-10. This amendment places all of the rights and obligations of health benefit providers and consumers in Section 663-10 for third-party liability situations to create a uniform and comprehensive procedure.

Your Committee finds that this measure is intended to prohibit provisions which purport to provide no coverage or limit coverage before or after settlement or judgment, while providing reimbursement rights pursuant to Section 663-10 to avoid a duplicate windfall recovery to the claimant.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2563, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



**SCRep. 1331-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 3117**

The purpose of this bill is to close a loophole in the law that allows auto theft investigators to investigate potential "chop shop" operations--auto repair businesses run by persons who profit from the theft of stolen automobiles and the subsequent use and sale of stolen automobile parts. The existing law allows investigators to inspect the records of "licensed" automobile repair dealers for the limited purpose of establishing rightful ownership and possession of goods that the police reasonably believe are stolen. The loophole under the law is that it currently prohibits inspection of records when an automobile repair dealer operates unlawfully, without being licensed. This bill would treat licensed and unlicensed automobile repair dealers equally for purposes of the limited inspection permitted under the law.

Testimony was received in support of this measure by the Honolulu Police Department. The Hawaii Automotive Repair and Gasoline Dealers Association opposed this measure.

Your Committees heard a concern that this law would intrude on the privacy of individuals by allowing police to inspect private residences, if, for example, an individual repaired a vehicle for a friend. Your Committees emphasize that this measure applies only to the inspection of the records of a business, and is not intended to broaden the law to authorize inspection of records on premises that cannot reasonably be considered the site of an ongoing business operation conducted for profit. Your Committees also note that this measure does not affect any of the "search and seizure" protections afforded by the State and Federal Constitutions, which provide independent protections against intrusive police activities under this law.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3117 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Chang, Hamakawa, Herkes, Takumi, Yoshinaga, Halford and Pendleton.  
(Representatives Rath and Thielen voted no.)

**SCRep. 1332-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 2467**

The purpose of this measure is to authorize and establish procedures for the administrative forfeiture of materials, tools, and other property owned by an unlicensed contractor, to clarify that unlicensed contracting is an unfair and deceptive practice, and to require unlicensed contractors to reimburse moneys to consumers.

Testimony in support of this measure was submitted by the General Contractors Association of Hawaii, Subcontractors' Association of Hawaii, Construction Industry Legislative Organization, Inc., Plumbers and Fitters Local 675, and the Laborers-Employers Cooperation and Education Trust.

Testimony in support of this measure, with proposed amendments, was submitted by the Department of Commerce and Consumer Affairs (DCCA), Building Industry Association of Hawaii, Hawaii Construction Industry Association, Hidano Construction, Inc., and Consumer Lawyers of Hawaii.

Testimony in opposition to this measure was submitted by a concerned citizen.

Testimony commenting on this measure was submitted by the Small Business Regulatory Review Board.

Your Committees find that unlicensed contractor activity has become a significant problem in this State, and that stronger measures are needed to deter such activity. Moreover, it is the intent of your Committees that the forfeiture provisions of this measure should only apply to unlicensed contractors whose pattern of conduct demonstrates a continuing and wilful disregard of the law.

Upon consideration of this measure, your Committees have amended this bill by replacing its contents with the substantive provisions of H.B. No. 1933, H.D. 1, a similar bill that was jointly heard and reported from your Committee on Consumer Protection and Commerce and Committee on Judiciary and Hawaiian affairs earlier in this session.

After replacing the contents of this measure with the substantive provisions of H.B. No. 1933, H.D. 1, your Committees have:

- (1) Limited the forfeiture provisions, by making them applicable only where the unlicensed contractor is or was a defendant or respondent in a separate complaint, case, citation, or lawsuit, filed with or by DCCA; and
- (2) Removed the requirement that moneys or other consideration received by an unlicensed contractor be returned to the consumer who paid the money or provided the consideration.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2467, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2467, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Chang, Yoshinaga and Pendleton.  
(Representatives Auwae, Halford, Rath, Thielen and Whalen voted no.)

**SCRep. 1333-00 Judiciary and Hawaiian Affairs on S.B. No. 2430**

The purpose of this bill is to protect the civil rights of all people by prohibiting discrimination in housing based on sexual orientation.

Testimony in support of this measure was received from the Hawaii Civil Rights Commission, Hawaii State Commission on the Status of Women, American Civil Liberties Union of Hawaii, Friends of Marriage Project, Lambda Aloha, American Friends Service Committee, and several concerned individuals. Testimony in opposition to this measure was received from Christian Voice of Hawaii, Hawaii Family Forum, Pro-Family Hawaii, and several concerned individuals. Testimony commenting on this measure was also received from Brigham Young University-Hawaii Campus, Hawaii Catholic Conference, Seventh-Day Adventist Church, and two concerned individuals.

Discrimination based on sexual orientation is currently prohibited only in the area of employment. A person's ability to find shelter, a basic need, should not be limited by his or her sexual orientation. Adding sexual orientation as a protected status in housing transactions is a positive step toward uniformity in all state laws regarding civil rights. Your Committee finds that the prohibition against discrimination based on a person's sexual orientation must be extended to real estate transactions to ensure that all of Hawaii's citizens are treated fairly and equally.

This measure also adds "familial status" to the blockbusting section of the housing law to correct an inadvertent omission when the law was amended in 1992. Your Committee finds that this change is required to make state law substantially similar to federal fair housing law.

Your Committee has amended this measure by providing an exemption to the anti-discrimination provision in housing law for the rental of housing accommodations located on property used for church purposes, with the standards used to determine the scope of the exemption being the same as those used in real property tax law.

The exemption applies to "property used for church purposes, including incidental activities, parsonages, and church grounds." This language was taken from Section 246-32(b)(3), Hawaii Revised Statutes (HRS), which exempts church property from real property taxes. Section 246-32(b)(3), HRS, was in effect superseded when article VIII, section 3 of the Hawaii Constitution was ratified in 1978. However, since then, all four counties have enacted ordinances containing substantially identical language.

Your Committee chose to track the "church purposes" language in order to delineate between property that is used by a church for a religious purpose, and property that is used by a church for a secular or commercial purpose. The exemption should apply to the former use, but not the latter. In instances where property is used for both religious and commercial purposes, the exemption should only apply to the portion of the premises which is used exclusively for purposes within the conditions necessary for exemption. In situations where any portion of property that is otherwise exempt, but has as its primary purpose the production of income (even if the income is to be used for or in furtherance of the exempt purpose), that portion of the revenue-generating property should not be exempt.

While this amendment does not provide a "blanket" exemption to religious institutions, it will allow them an opportunity to argue that their property serves a church purpose, thus qualifying for the exemption. To prove a church purpose, religious institutions will be required to employ standards used by counties in making this determination for real property tax purposes. It should be noted that a religious institution is not necessarily required to actually obtain a real property tax exemption for "church purposes" in order to qualify for an exemption under the housing anti-discrimination law.

Technical, nonsubstantive amendments have also been made for clarity and style.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2430, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2430, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Auwae and Whalen.  
(Representatives Chang, Kaho'ohalahala and Pendleton voted no.)

**SCRep. 1334-00 Finance on S.B. No. 2088**

The purpose of this bill is to provide investment flexibility to the Director of Finance (Director) by:

- (1) Expanding the permissible types of investments the Director may make using excess state funds; and
- (2) Eliminating investments in federal land bank bonds which no longer exist.

The Department of Budget and Finance testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2088 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1335-00 Finance on S.B. No. 2542**

The purpose of this bill is to exempt state government agencies, including the judiciary, from having to perfect security interests in state bonds.

The Department of Budget and Finance offered comments on this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2542, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1336-00 Finance on S.B. No. 2942**

The purpose of this bill is to improve the accuracy of the official forecasts of total state personal income by changing:

- (1) The dates on which the Director of Finance must determine estimates of the state growth and expenditure ceiling from August 1 and November 1, to August 15 and November 15, respectively; and
- (2) The dates on which the Council on Revenues must report its estimates of total state personal income to the Director of Finance, the Governor, the Chief Justice, and the Legislature from July 20 and October 20 to August 5 and November 5, respectively.

The Department of Taxation testified in support of this bill. The Council on Revenues and the Tax Foundation of Hawaii offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2942 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1337-00 Finance on S.B. No. 2947**

The purpose of this bill is to remedy an unfair situation for persons under contractual obligation to pay taxes by allowing the disclosure of general excise and use tax return and tax return information to a person contractually obligated to pay general excise and use taxes assessed against another person.

The Department of Taxation testified in support of this bill. The Tax Foundation of Hawaii offered comments on this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2947 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1338-00 Finance on S.B. No. 426**

The purpose of this bill is to establish a program that maximizes the receipt of federal revenues for state agencies and programs.

For purposes of public hearing, your Committee circulated a proposed H.D. 1 of this bill. The proposed H.D. 1 amends provisions relating to the Convention Center Capital and Operations Special Fund (Fund) by:

- (1) Repealing language that allows "net revenues" to be deposited into the Fund;
- (2) Repealing language that allowed the Convention Center Authority (CCA) to define "net revenues"; and
- (3) Extending the sunset date for the CCA to June 30, 2001.

The CCA supported this bill. The Hawaii Tourism Authority and the Department of Business, Economic Development, and Tourism (DBEDT) commented on this bill. Neighbors of the Ala Wai, Hawaii Council of Associations of Apartment Owners, McCully-Moiliili Neighborhood Board No. 8, Ala Moana Residents Advisory Council, Life of the Land, and numerous individuals opposed this bill.

Your Committee has amended this bill by incorporating the provisions of the proposed H.D. 1 into the bill and some of the points made by DBEDT in their testimony. Specifically, provisions to:

- (1) Provide that "gross revenues" derived from the operation or use of the Hawaii Convention Center, including its parking and garage facilities, concessions, and food and beverage operations shall be deposited in the Fund; and
- (2) Provide that gifts, grants, and other funds accepted by the CCA shall be deposited into the Fund.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 426, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 426, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Schatz.  
(Representative Fox voted no.)

**SCRep. 1339-00 Labor and Public Employment and Finance on S.B. No. 3002**

The purpose of this bill is to allow a surviving spouse or reciprocal beneficiary of a deceased member of the Employees' Retirement System who was employed as a police officer, fire fighter, deputy sheriff, or public safety officer to continue to receive pension and other retirement benefits upon remarriage or entry into a new reciprocal relationship.

The Concerns of Police Survivors, Hawaii Chapter, and the Maui County Police Department testified in support of this bill. The Hawaii Government Employees Association testified in support of the intent of this bill with amendments. The Department of Budget and Finance and the Employees' Retirement System commented on this bill.

Your Committees have amended this bill by:

- (1) Ensuring that only the beneficiaries of members who were killed in the line of duty will continue to receive benefits upon remarriage, marriage, or entry into a new reciprocal relationship;
- (2) Including the situation where a reciprocal relationship beneficiary enters into a marriage and maintains benefits;
- (3) Changing the effective date of this bill to July 1, 2010; and
- (4) Making technical, nonsubstantive changes for clarity and style.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3002, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3002, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.  
(Representative Kanohe, Marumoto and Moses voted no.)

**SCRep. 1340-00 Labor and Public Employment and Finance on S.B. No. 3003**

The purpose of this bill is to:

- (1) Give those public employees who switched to the noncontributory plan and who are in service as of December 31, 2000, the option of rejoining the contributory plan;
- (2) Give those public employees who were never contributory plan members but who were hired after July 1, 1984, and who are in service as of December 31, 2000, the option of becoming contributory plan members; and
- (3) Require all public employees who enter service after December 31, 2000 to become a member of the contributory plan.

The Hawaii State Teachers Association testified in support of this measure. The HGEA-AFSCME Local 152 testified in support of the intent of this measure and suggested amendments. The State of Hawaii Employees' Retirement System provided testimony commenting on this measure. The Department of Budget and Finance provided testimony expressing its concern regarding this measure.

Your Committees have amended this bill by leaving the effective date blank to facilitate discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3003, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3003, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1341-00 Labor and Public Employment and Finance on S.B. No. 2369**

The purpose of this bill is to permit, on a one-time basis, a class A contributory member of the Employees' Retirement System (ERS) to withdraw part or all of that member's contributions, under certain conditions of financial hardship.

One individual testified in support of this bill. ERS offered comments on this bill.

Contributory members have a percentage of their salaries deducted for their retirement and, as a result, have less take-home pay available in times of financial hardship. Your Committees find that public employees suffering from financial hardship would benefit from the option to withdraw their retirement contributions while still in active service.

At the same time, your Committees recognize the following concerns of the ERS that this bill, as received:

- (1) Contains no provisions for repayment and the interest rate to be charged on the withdrawn contributions;
- (2) Does not address penalties that may be imposed for the premature distribution of a member's contributions before retirement;
- (3) Needs a less liberal definition of "economic hardship" because it would allow almost anyone to qualify for withdrawal. Easy access to these funds may be detrimental to the long-term interest of the member; and
- (4) Needs to clarify how much service credits should be forfeited if the member can only repay a portion of the withdrawn funds, what constitutes spousal approval, and other factors.

Your Committees have amended this bill by deleting its contents and inserting provisions addressing concerns raised by ERS. As amended this bill:

- (1) Requires the member to withdraw all or none of the member's contributions;
- (2) Defines "economic hardship" to mean financial hardship resulting from the following conditions that cannot be satisfied by other resources, including:
  - (A) A sudden and unexpected illness or accident of the member or the member's dependent;
  - (B) The loss of the member's property due to casualty; or
  - (C) Any other extraordinary and unforeseeable circumstances arising as a result of events beyond the member's control;
- (3) Requires that a contributory member who makes the election to withdraw funds to permanently change the member's status to class C (noncontributory); and
- (4) Establishes rules and procedures for administering the withdrawals.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2369, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2369, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Ahu Isa, Hiraki, Nakasone, Okamura, Schatz and Rath.  
(Representative Takai voted no.)

**SCRep. 1342-00 Labor and Public Employment and Finance on S.B. No. 2326**

The purpose of this measure is to allow the Public Employees Health Fund the flexibility to port the Medicare Part B reimbursements of retiree beneficiaries who subscribe to an employee organization health plan to that employee organization health plan instead of to the Public Employees Health Fund's own plan.

Testimony in support of this measure was submitted by the Hawaii State Teachers Association. Testimony commenting on this measure was submitted by the Hawaii Public Employees Health Fund.

Your Committees have amended this bill by leaving the effective date blank to facilitate discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2326, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2326, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1343-00 Labor and Public Employment and Finance on S.B. No. 2802**

The purpose of this bill is to authorize the establishment of the State of Hawaii multiple employer-union health trust and its related employer-union health trust funds to replace the Hawaii Public Employees Health Fund (Health Fund) for determination and administration of State of Hawaii public sector employee and retiree health benefits.

The Hawaii Government Employees Association, Hawaii State Teachers Association, Hawaii State Teachers Association - Retired, Oahu Retired Teachers Association testified in support of this bill. One individual supported the intent of this bill. The Employees' Retirement System and the Board of Trustees of the Health Fund offered comments. The Department of Budget and Finance testified in opposition to this bill.

Upon further consideration, your Committees have amended this bill by deleting its contents and inserting the substantive provisions of H.B. No. 1869, H.D. 1, which:

- (1) Establishes the Hawaii Employer-Union Health Benefits Trust Fund (Trust Fund) to be placed under the Department of Budget and Finance for administrative purposes to provide public employees and their dependents with a health benefits plan, long-term care benefits plan, and group life insurance benefits;
- (2) Establishes a Board of Trustees of the Trust Fund (Board of Trustees) composed of ten trustees to serve in an advisory capacity to the Trust Fund;
- (3) Establishes a Board of Directors of the Trust Fund (Board of Directors) to be composed of three directors appointed by the Board of Trustees to administer and carry out the purposes of the Trust Fund;
- (4) Compensates the Board of Directors with an annual base rate and provides for a bonus, depending upon the performance of the Trust Fund;
- (5) Designates the Attorney General as the legal adviser to the Board of Trustees and Board of Directors;
- (6) Repeals the Health Fund, chapter 87, Hawaii Revised Statutes;
- (7) Provides for the transfer of Health Fund staff, appropriations, and other assets to the Trust Fund;
- (8) Requires the Governor to appoint all members of the Board of Trustees by December 29, 2000, who would then be required to appoint the three members of the Board of Directors by July 1, 2001;
- (9) Requires the Board of Directors to develop and issue rules, policies, and procedures, and contract for health benefits plans and group life insurance plans that will become effective on July 1, 2002;
- (10) Authorizes the Health Fund to extend current health benefit and life insurance plan contracts through June 30, 2002; and
- (11) Appropriates an unspecified amount to hire necessary staff.

In addition, your Committee further amended this bill by:

- (1) Inserting the provisions of H.B. No. 1871, which requires the Board of Trustees of the Health Fund to annually audit all health benefits plans offered by employee organizations;
- (2) Requiring the Board of Trustees of the Health Fund to enter into contracts for and offer Preferred Provider Organization Plans (PPO) for medical benefits for active members and retirees; and
- (3) Requiring the Board of Trustees of the Health Fund to enter into contracts for drug benefit plans with premiums based on inclusion of a closed formulary for federally approved health maintenance organization plans and a copayment plus a differential for nonpreferred brand name drugs based on an open formulary for service benefit plans.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2802, S.D. 1, as amended herein,

and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2802, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1344-00 Labor and Public Employment and Finance on S.B. No. 2859**

The purpose of this bill, as received by your Committees, is to reform the public employment laws that were enacted to implement two constitutional mandates: that there be civil service based on the merit and that public employees have the right to bargain collectively.

After careful consideration, your Committees amended this bill by deleting its substance and inserting the language from H.B. No. 2518, H.D. 1. As amended, this bill allows greater latitude in the reformation of the public employment system. Your Committees acknowledge that to improve the efficiency and effectiveness of government, there must be a positive inter-relationship between civil service and collective bargaining, consistent with sound merit principles.

1. PURPOSE

Your Committees focused on the original eighteen points for civil service reform, as proposed by the Administration. As amended, this bill addresses sixteen reform items that will bring about systemic change to the existing system within the present structure. Your Committees believe that this approach will promote a positive work environment by utilizing the present merit system, as mandated by article XVI, section 1 of the Hawaii State Constitution, and recognizing the right of public employees to bargain collectively, as required by article XIII, section 2 of the Hawaii State Constitution.

2. PERFORMANCE

Your Committees are well aware that performance is recognized first by the accountability of its managers and second through its employees. Performance is based on the merit principle, which is firmly established under section 76-1, Hawaii Revised Statutes (HRS).

It is the declared policy of the State that the personnel system be applied and administered in accordance with the merit principles. Consequently, it is counterproductive to retain unnecessary and inefficient employees. As such, section 76-41, HRS, was amended to authorize the suspension, demotion, transfer, or removal of employees who continue to receive substandard evaluations. This amendment also recognizes employee rights to challenge adverse actions through the grievance procedure and focuses on the administrators and managers who should be responsible for certifying the performance of their subordinates.

3. DECENTRALIZATION

It is well established that uniformity in the law is essential to its success. A decentralized system would add to the confusion of a statewide merit system by promoting inequities within similar classifications of employees and violating the principle of equal pay for equal work.

To address the concerns of home rule by the counties, the terms "employer" or "public employer" were redefined to include all chief executives of relevant employer jurisdictions.

Your Committees adjusted the voting process under section 89-6(b), HRS, to give all public employers an appropriate role in the bargaining process. With respect to the counties who employ the majority of firefighters and police, the relative votes have been modified to give the counties a collective majority.

To address individual employer concerns and allow jurisdictions greater flexibility, section 89-10, HRS, was amended to allow memoranda of agreement with exclusive representatives of public employees, with the memoranda to run concurrently with existing collective bargaining agreements.

To give public employers more flexibility, section 76-5.5, HRS, has been amended and a new section has been added to chapter 77, HRS, to allow greater autonomy for all jurisdictions to establish new classification and recruitment procedures.

4. MANDATORY ARBITRATION

The cost implications of mandatory arbitration, which is final and binding under section 89-11, HRS, have played a major role in the economics of the State. Arbitrators play a vital part in arbitrating disputes over cost items, with little restraint over imposing awards and no regard to the ability of the employer to pay. At the same time, it must be recognized that employees should be afforded a meaningful bargaining position and the right to strike. As such, section 89-11(d), HRS, has been amended to exclude mandatory arbitration for bargaining units 2, 3, 4, 6, 8, 9, 10, and 13. In addition, references to "essential employee" and "essential position" have been deleted from section 89-2, HRS, to conform with these changes.

These amendments are necessary to reestablish the proper balance between public employers and public employees in the collective bargaining process.

## 5. MANAGEMENT

Chief executives, top-level managers, and administrators, who are excluded from civil service, are essential to a successful administration. Moreover, it would be hypocritical to direct reform solely at ordinary employees without addressing the responsibility of upper-level management. Consequently, performance and accountability is expected of excluded personnel, as reflected in the amendment to section 89C-2, HRS, which requires compliance with performance-based standards and the responsibility for performance ratings of all subordinate employees.

## 6. OVERTIME

Overtime abuse is a major problem in the calculation of average final compensation to boost retirement benefits. Concern has been expressed by those employee groups who are required to work overtime based on a management decision. These employees, who are required to work overtime through no fault of their own, should not be penalized by a mandatory reduction to their average final compensation.

Nevertheless, the situation has given rise to certain employees who avail themselves or others of excessive overtime merely to increase retirement benefits. Certainly, this practice should be prohibited, and your Committees have addressed this by adding a new section to chapter 80, HRS, to penalize employees who abuse overtime assignments.

## 7. REPAYMENTS

The collection of overpayments to employees, whether by mistake or inadvertence, is a burdensome process. To streamline this process, section 78- 12(e), HRS, has been amended to allow an employer to immediately deduct overpayments, which have occurred within a year. In the event employees dispute that an overpayment was made, employees are afforded the right to file a grievance under applicable procedures and required to sustain the burden of proof that no overpayment was made. However, if an employee should prevail, the employee would be entitled to all appropriate remedies.

## 8. DRUG TESTING

Public safety issues relating to problems with drugs in the workplace are legitimate concerns. Without minimizing the constitutional protections afforded all individuals in this respect, chapter 78, HRS, has been amended by adding a new section to allow preemployment drug testing for applicants for safety sensitive positions and to allow the rejection of any applicant who tests positive for drugs.

## 9. SEPARATIONS

Voluntary separation from government service is preferable to existing layoffs and reduction in force procedures. Chapter 78, HRS, has been amended by adding a new part entitled, "Voluntary Separation," to authorize an integrated program for workforce reduction and restructuring, including voluntary severance benefits and early retirement incentives. The sum of \$1 has been appropriated from the general fund to process the voluntary severance benefits provided for in this new part.

## 10. HEALTH FUND

A recent report by the Legislative Auditor indicated the need to address funding, administration, and coverage issues to ensure the continued viability of the Hawaii Public Employees Health Fund. These issues are interrelated with those included in this bill, and resolution of cost containment requires an integrated plan of action. Accordingly, your Committees addressed this issue in H.B. No. 1869, H. D. 1, which would establish the Hawaii Employer-Union Health Benefits Trust Fund.

## 11. CONFLICTING REMEDIES

It was brought to the attention of your Committees that there are conflicting remedies existing between statutory provisions and collective bargaining agreements. To remedy this situation, disputes over wages, hours, and conditions of employment should be resolved before the Hawaii Labor Relations Board. To avoid duplication of efforts, section 76-48, HRS, has been amended to clarify that the Civil Service Commission does not have jurisdiction over disputes involving wages, hours, and conditions of employment.

## 12. MANAGED COMPETITION

To remain efficient, government must use its resources in the most cost-effective manner. Whether continued service to the public should be offered by government or private competition is a question that should be addressed.

To the extent that Act 230, Session Laws of Hawaii (SLH) 1998, addressed the study and implementation of public-private competition, your Committee has added a new section to chapter 78, HRS. This new section allows both the State and the counties to establish a managed process as provided by Act 230, provided that civil service laws, merit principles, and collective bargaining laws are not violated.

Additionally, the bill has been amended to require the Hawaii Health Systems Corporation to conduct a study on the feasibility of an employee stock ownership plan to improve efficiency and effectiveness through managed competition.



## 13. NEW CLASSIFICATION SYSTEMS

It is acknowledged that greater flexibility is needed by the directors of the counties and the State to establish new classification systems within their respective jurisdictions. As such, a new section has been added to chapter 77, HRS, to allow directors the flexibility to adjust and reclassify positions, provided that the principle of equal pay for equal work is maintained on a statewide basis.

## 14. RECRUITMENT

In line with classification, the recruitment of qualified employees is a prerequisite to an effective and efficient workforce. Each jurisdiction should be allowed the flexibility to facilitate the recruitment process and allowed to fill positions in the most expeditious manner as possible.

Hence, section 76-5.5, HRS, was amended to authorize directors to use new technologies and develop alternatives that are more efficient to ensure the availability of a qualified applicant pool.

## 15. APPEALS

The appeal process is a distinct and necessary function to ensure a viable system of checks and balances. It is not feasible to have conflicts among the Hawaii Labor Relations Board, the Civil Service Commission, and the Public Employees Compensation Appeals Board. To clarify this process, section 76-48, HRS, has been amended to allow appeals to the Civil Service Commission, except for disputes involving wages, hours, and conditions of employment. The Hawaii Labor Relations Board would address disputes involving wages, hours, and conditions of employment.

## 16. SLICE WASTE AND TAPE (SWAT)

The present rulemaking procedures under chapter 91, HRS, relating to recruitment and classification are cumbersome and time-consuming. To address this, section 76-79, HRS, has been amended to authorize the Civil Service Commission and the personnel directors of the Counties of Hawaii, Maui, and Kauai to bypass rulemaking procedures currently required for recruitment and classification purposes. Other streamlining reforms were made to the recovery of employee overpayments and duplicative efforts of the appeal process have also been clarified.

## 17. BARGAINING DEADLINES

There is a need to establish bargaining deadlines to coordinate negotiations and impasse procedures to bring cost items to the Legislature for approval in a timely manner. Accordingly, section 89-10, HRS, has been amended to establish a calendar driven process by mandating that on January 1st of the preceding even-numbered year, all alternative dispute resolution procedures under section 89-11, HRS, are to be completed no later than December 31st of that year. The amendment further mandates that cost items are to be submitted to the legislative bodies no later than January 31st of the subsequent odd-numbered year.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2859, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2859, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1345-00 Judiciary and Hawaiian Affairs on H.R. No. 16**

The purpose of this resolution is to urge all members of the Legislature to condemn trafficking in women and children, and express strong support for the United States government's efforts to integrate the fight against trafficking in women and children into the Nation's human rights policy.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women.

Your Committee finds that it is appropriate and proper to urge the State to take steps to ensure that resources are available for the identification and support of, and assistance to, trafficked women, as this modern form of slavery is detestable.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 16, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1346-00 Judiciary and Hawaiian Affairs on H.C.R. No. 16**

The purpose of this resolution is to urge all members of the Legislature to condemn trafficking in women and children, and express strong support for the United States government's efforts to integrate the fight against trafficking in women and children into the Nation's human rights policy.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women.

Your Committee finds that it is appropriate and proper to urge the State to take steps to ensure that resources are available for the identification and support of, and assistance to, trafficked women, as this modern form of slavery is detestable.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 16, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1347-00 Judiciary and Hawaiian Affairs on H.R. No. 49**

The purpose of this resolution is to urge the United States government to take every opportunity to condemn the Taliban's oppression of women in international fora and to demand that the Taliban adhere to international law.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women and several concerned individuals.

Your Committee finds that even after international condemnation, the Taliban have made only slight changes in their violations of human rights practices, and official Taliban edicts and decrees have not been lifted to restore Afghan women's rights to work, education and health care. Your Committee finds that it is necessary to urge the United States government to make plain that it does not and will not recognize any government that systematically disenfranchises women.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 49, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1348-00 Judiciary and Hawaiian Affairs on H.C.R. No. 46**

The purpose of this resolution is to urge the United States government to take every opportunity to condemn the Taliban's oppression of women in international fora and to demand that the Taliban adhere to international law.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women and several concerned individuals.

Your Committee finds that even after international condemnation, the Taliban have made only slight changes in their violations of human rights practices, and official Taliban edicts and decrees have not been lifted to restore Afghan women's rights to work, education and health care. Your Committee finds that it is necessary to urge the United States government to make plain that it does not and will not recognize any government that systematically disenfranchises women.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 46, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1349-00 Judiciary and Hawaiian Affairs on H.R. No. 50**

The purpose of this resolution is to urge the Legislature to unequivocally condemn the practice of female genital mutilation in all forms and declare it unacceptable to use religion, cultural custom, and tradition, as excuses for violent acts against women and girls.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women and several concerned individuals.

Your Committee finds that the procedure of female genital mutilation is a deeply rooted traditional practice in some areas of the world that has severe harmful health consequences for females. Your Committee finds that there is a need to raise public awareness about these harmful effects.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 50, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1350-00 Judiciary and Hawaiian Affairs on H.C.R. No. 47**

The purpose of this resolution is to urge the Legislature to unequivocally condemn the practice of female genital mutilation in all forms and declare it unacceptable to use religion, cultural custom, and tradition, as excuses for violent acts against women and girls.

Testimony in support of this resolution was received from the Hawaii State Commission on the Status of Women and several concerned individuals.

Your Committee finds that the procedure of female genital mutilation is a deeply rooted traditional practice in some areas of the world that has severe harmful health consequences for females. Your Committee finds that there is a need to raise public awareness about these harmful effects.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 47, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola.

**SCRep. 1351-00 Judiciary and Hawaiian Affairs on H.R. No. 70**

The purpose of this resolution is to urge the United States Navy to relocate from Vieques, Puerto Rico, return the land for civilian use, make reparations, and assist in social and economic development of the people of Vieques.

Testimony in support of this resolution was provided by the Kaho'olawe Island Reserve Commission, the American Friends Service Committee Hawaii Area Program Office, the Hawaii Political Action Council of Hawaii, the Hawaii State AFL-CIO, Life of the Land, 'Ohana Kou, and numerous concerned individuals.

Your Committee finds that bombing and military practices in the populated island of Vieques, Puerto Rico, have created health hazards and environmental contamination. Your Committee further finds that the movement to stop the bombing in Vieques parallels, to some extent, efforts to return Kaho'olawe to the people of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, H.D. 1, and recommends its adoption.

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

**SCRep. 1352-00 Judiciary and Hawaiian Affairs on H.C.R. No. 64**

The purpose of this resolution is to urge the United States Navy to relocate from Vieques, Puerto Rico, return the land for civilian use, make reparations, and assist in social and economic development of the people of Vieques.

Testimony in support of this resolution was provided by the Kaho'olawe Island Reserve Commission, the American Friends Service Committee Hawaii Area Program Office, the Hawaii Political Action Council of Hawaii, the Hawaii State AFL-CIO, Life of the Land, 'Ohana Kou, and numerous concerned individuals.

Your Committee finds that bombing and military practices in the populated island of Vieques, Puerto Rico, have created health hazards and environmental contamination. Your Committee further finds that the movement to stop the bombing in Vieques parallels, to some extent, efforts to return Kaho'olawe to the people of Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 64, H.D. 1, and recommends its adoption.

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

**SCRep. 1353-00 Judiciary and Hawaiian Affairs on H.R. No. 135**

The purpose of this resolution as introduced was to urge Congress to clarify the Hawaiian Homes Commission Act to give native Hawaiians a status like that of Indians in organized tribes and to provide that the State of Hawaii has broad authority to preserve that status.

Testimony in support of this resolution was provided by the State Council of Hawaiian Homestead Associations, the Hawaii Island Ahupuaa, the Paukukalo, Waiehu Kou, Waiohuli, Keokea and Kahinikinai Hawaiian Homestead Associations on Maui, and a concerned individual. The Ahupua'a O O'ahu and a concerned individual provided testimony in support of this resolution with proposed amendments. The Office of Hawaiian Affairs provided testimony expressing reservations concerning this resolution. The State of Hawaii Department of Hawaiian Homelands commented on this resolution.

It is the sense of your Committee that the issues addressed in the resolution as introduced have been adequately provided for through other legislative measures. Your Committee finds that the best interest of the Hawaiian community at this juncture will be

served if the Office of Hawaiian Affairs is encouraged to investigate whether threats to ceded lands assets exist as a result of changes to the trustee selection process mandated by the U.S. Supreme Court's decision in *Rice v. Cayetano*. It is the understanding of your Committee that the State Council of Hawaiian Homestead Associations supports a change in the scope and substance of this resolution.

Your Committee has amended this resolution by: deleting text that would urge Congress to clarify that the Hawaiian Homes Commission Act serves as federal recognition that native Hawaiians' status is like that of Indians in organized tribes; inserting text requesting a study of the security of trust assets currently under the management of the trustees of the Office of Hawaiian Affairs; and amending the title of the resolution correspondingly, to read: "REQUESTING THE OFFICE OF HAWAIIAN AFFAIRS TO COMMISSION A STUDY OF THE SECURITY OF THE 5(F) TRUST ASSETS IN LIGHT OF THE RICE V. CAYETANO U.S. SUPREME COURT RULINGS."

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 135, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 135, H.D. 1.

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

**SCRep. 1354-00 Judiciary and Hawaiian Affairs on H.C.R. No. 156**

The purpose of this resolution as introduced was to urge Congress to clarify the Hawaiian Homes Commission Act to give native Hawaiians a status like that of Indians in organized tribes and to provide that the State of Hawaii has broad authority to preserve that status.

Testimony in support of this resolution was provided by the State Council of Hawaiian Homestead Associations, the Hawaii Island Ahupuaa, the Paukukalo, Waiehu Kou, Waiohuli, Keokea and Kahinikina'i Hawaiian Homestead Associations on Maui, and a concerned individual. The Ahupua'a O O'ahu and a concerned individual provided testimony in support of this resolution with proposed amendments. The Office of Hawaiian Affairs provided testimony expressing reservations concerning this resolution. The State of Hawaii Department of Hawaiian Homelands commented on this resolution.

It is the sense of your Committee that the issues addressed in the resolution as introduced have been adequately provided for through other legislative measures. Your Committee finds that the best interest of the Hawaiian community at this juncture will be served if the Office of Hawaiian Affairs is encouraged to investigate whether threats to ceded lands assets exist as a result of changes to the trustee selection process mandated by the U.S. Supreme Court's decision in *Rice v. Cayetano*. It is the understanding of your Committee that the State Council of Hawaiian Homestead Associations supports a change in the scope and substance of this resolution.

Your Committee has amended this resolution by: deleting text that would urge Congress to clarify that the Hawaiian Homes Commission Act serves as federal recognition that native Hawaiians' status is like that of Indians in organized tribes; inserting text requesting a study of the security of trust assets currently under the management of the trustees of the Office of Hawaiian Affairs; and amending the title of the resolution correspondingly, to read: "REQUESTING THE OFFICE OF HAWAIIAN AFFAIRS TO COMMISSION A STUDY OF THE SECURITY OF THE 5(F) TRUST ASSETS IN LIGHT OF THE RICE V. CAYETANO U.S. SUPREME COURT RULINGS."

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 156, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 156, H.D. 1.

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

**SCRep. 1355-00 Health and Consumer Protection and Commerce on H.R. No. 170**

The purpose of this resolution is to acknowledge and respect family members of deceased organ donors by requesting the Office of the Governor to develop and award certificates recognizing the contribution made by families of deceased organ donors.

The Organ Donor Center of Hawaii, the Oahu Filipino Community Council, and several individuals testified in support of this measure.

Organ donation does not happen without families who are willing to make the decision to donate at the time of the loved one's death. Your Committees believe that this generous act should be acknowledged and respected.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 170, and recommend its adoption.

Signed by all members of the Committees except Representatives Menor, Santiago, Cachola, Garcia, Herkes, Hiraki, Kawakami, Stegmaier, Yoshinaga, McDermott and Rath.

**SCRep. 1356-00 Health and Consumer Protection and Commerce on H.C.R. No. 202**

The purpose of this concurrent resolution is to acknowledge and respect family members of deceased organ donors by requesting the Office of the Governor to develop and award certificates recognizing the contribution made by families of deceased organ donors.

The Organ Donor Center of Hawaii, the Oahu Filipino Community Council, and several individuals testified in support of this measure.

Organ donation does not happen without families who are willing to make the decision to donate at the time of the loved one's death. Your Committees believe that this generous act should be acknowledged and respected.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 202, and recommend its adoption.

Signed by all members of the Committees except Representatives Menor, Santiago, Cachola, Garcia, Herkes, Hiraki, Kawakami, Stegmaier, Yoshinaga, McDermott and Rath.

**SCRep. 1357-00 Judiciary and Hawaiian Affairs on S.B. No. 2311**

The purpose of this bill is to extend the seat belt assembly requirement to passengers under the age of eighteen riding in the back seat of a motor vehicle.

Testimony in support of this measure was received from the State Department of Health, Department of Transportation, City and County of Honolulu Police Department, Mothers Against Drunk Driving, Keiki Injury Prevention Coalition, State Farm Insurance, and a concerned individual.

Your Committee finds that the provisions of this bill promote safety for passengers in motor vehicles and could prevent injury and death in motor vehicle related accidents.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2311, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1358-00 Judiciary and Hawaiian Affairs on S.B. No. 3045**

The purpose of this bill is to:

- (1) Give the State Auditor subpoena power; and
- (2) Create an Auditor's "working papers" privilege under Hawaii law.

Testimony in support of this bill was provided by the State Auditor. Testimony in opposition to this bill was provided by the State Attorney General, the Department of Accounting and General Services, and the Judiciary.

Your Committee finds that subpoena powers will facilitate the Auditor's information gathering process.

Consistent with routine practice, your Committee deems it prudent to defer enacting a specific "auditor's working papers privilege" pending referral to the Hawaii Supreme Court Standing Committee on the Rules of Evidence for consideration and recommendation.

Your Committee further finds it appropriate to clarify that confidentiality remains intact after issuance of reports, and extends to the Auditor's agents, employees, consultants, and contractors.

Your Committee has amended this bill by:

- (1) Specifying that the Auditor may apply to the circuit court to enforce a subpoena;
- (2) Deleting the "working papers privilege";
- (3) Listing "agents" as well as employees, consultants, and contractors among those whose working papers are entitled to confidentiality;
- (4) Replacing the provision dealing with disclosure that reads "any person or in response to any judicial, quasijudicial, or administrative process" with "any person or entity";

- (5) Deleting the release of liability provision;
- (6) Conforming the penalty provision by including persons subpoenaed by the Auditor;
- (7) Including accounts, records, files, and other evidence to the list of items that, if improperly withheld from the Auditor, may cause criminal prosecution; and
- (8) Making technical, nonsubstantive changes for clarity and style.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3045, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3045, S.D. 1, H.D. 2.

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

**SCRep. 1359-00 Consumer Protection and Commerce and Judiciary and Hawaiian Affairs on S.B. No. 2254**

The purpose of this measure is to facilitate patient care within a health care setting by clarifying that notification requirements do not apply to the use or disclosure of protected health information within an entity.

Testimony in support of this measure was submitted by Hawaii Medical Service Association and the American Family Life Assurance Company of Columbus.

Testimony in support of this measure, with proposed amendments, was submitted by the Hawaii Medical Association, Healthcare Association of Hawaii, Pharmaceutical Research and Manufacturers of America, Glaxo Wellcome Inc., and the Patient Records Confidentiality Task Force.

Testimony supporting this measure in part and opposing it in part was submitted by the Office of Information Practices and Kaiser Permanente.

Testimony in opposition to this measure was submitted by the Coalition to Protect Privacy, a physician, and a concerned citizen.

Your Committees have made the following amendments to this bill:

- (1) Revised subsection 323C-37(c), Hawaii Revised Statutes, to incorporate the amendments proposed by the Patient Records Confidentiality Task Force;
- (2) Incorporated the amendments proposed by the Pharmaceutical Research and Manufacturers of America and Glaxo Wellcome Inc.;
- (3) Revised the effective date for criminal and civil penalties of Act 87, Session Laws of Hawaii 1999, to January 1, 2001; and
- (4) Incorporated technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection and Commerce and Judiciary and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2254, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2254, S.D. 1, H.D. 2.

Signed by all members of the Committees except Representatives Chang, Herkes, Hiraki, Yoshinaga, Halford, Pendleton and Rath.

**SCRep. 1360-00 Consumer Protection and Commerce on S.B. No. 2717**

The purpose of this bill is to:

- (1) Continue state licensure and regulation of social workers under chapter 467E, Hawaii Revised Statutes, (chapter 467E), by repealing the chapter's December 31, 2000 sunset date;
- (2) Provide for flexibility in licensing by allowing the Director of the Department of Commerce and Consumer Affairs (DCCA) to:
  - (A) Enter into agreements for reciprocal recognition of social worker licenses in cases where the participating state's license requirements are equal to or greater than those of Hawaii;

- (B) Honor a passing score in an Association of Social Work Boards examination in the category used by the administering state for its license;

and

- (3) Allow licensure to social workers who passed the National Association of Social Workers' examination prior to June 30, 1995, only if the social worker makes an application for licensure before June 30, 2000.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Health, Child and Family Service, Hawaii Youth Services Network, Healthcare Association of Hawaii, National Association of Social Workers, Kaiser Permanente, Kahi Mohala, Hawaii Nurses' Association, Kapiolani Medical Center for Women and Children Sex Abuse Treatment Center, and numerous individuals.

Testimony supporting the reciprocity and examination provisions of this bill and deferring to the Legislature regarding the repeal of chapter 467E, was submitted by DCCA.

Your Committee recognizes the overwhelming support for this measure and agrees with its substance. However, for technical reasons, to allow the House companion bill to be used as a vehicle for implementation of the law and to ensure that this bill is returned to the Senate, your Committee has amended the measure to insert an effective date of July 1, 2050.

Technical, nonsubstantive amendments were made for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2717, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2717, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Chang, Herkes, Yoshinaga and Rath.

**SCRep. 1361-00 Consumer Protection and Commerce on S.B. No. 2725**

The purpose of this measure is to require all commercial tow trucks to have permanently affixed on each door of the truck a sign with the name and telephone number of the tow business.

Testimony in support of this measure was submitted by the Department of Commerce and Consumer Affairs, Island Wide Towing, and A Tow in Paradise.

Testimony in support of this measure, with proposed amendments, was submitted by the Hawaii State Towing Association and Affordable Towing & Recovery Service.

Your Committee has amended this measure by:

- (1) Clarifying in the law that an owner can have the owner's vehicle unhooked for a fee of not more than \$50 when the tow truck has hooked but not moved the vehicle;
- (2) Clarifying in the law that the towing company may tow the vehicle if the owner is unable or unwilling to pay the unhooking fee; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

During conference committee proceedings on this measure, conferees should explore the feasibility of further amendments to this bill that would allow various methods of payment for the "unhooking" fee.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2725, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2725, H.D. 2.

Signed by all members of the Committee except Representatives Chang and Yoshinaga.  
(Representatives Herkes, Halford, Rath, Thielen and Whalen voted no.)

**SCRep. 1362-00 Labor and Public Employment and Finance on S.B. No. 2837**

The purpose of this bill is to implement a comprehensive system of educational accountability by:

- (1) Holding students, schools, individual teachers and administrators, and other significant partners to the educational process accountable;
- (2) Invoking reward, assistance, or sanctions as consequences for observed performance;

- (3) Assessing state wide annual data on student, school, and system performance at selected benchmark grade levels in terms of student performance;
- (4) Requiring teachers and administrators to engage in continuous professional growth and development;
- (5) Establishing an explicit link between professional evaluation results and individual accountability for professional development; and
- (6) Exempting the implementation of the proposed comprehensive system of educational accountability from collective bargaining.

The Department of Education, the Hawaii Chamber of Commerce, the Hawaii Business Roundtable, and an individual testified in support of this bill. The Hawaii State Teachers Association and the Hawaii Government Employees Association commented on this bill.

Your Committees find that the issues presented in this bill will profoundly change the educational system in Hawaii. As such, more time is needed to ensure thorough discussion of the issues.

Your Committees have amended this bill by leaving the effective date blank to ensure further discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2837, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2837, S.D. 1, H.D. 2.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1363-00 Finance on S.B. No. 185**

The purpose of this bill, as received by your Committee, is to:

- (1) Statutorily establish the Hawaii State Student Council (Council);
- (2) Require the Council to assume the statutory duty presently held by the Student Conference Committee to hold the annual conference of secondary school students; and
- (3) Repeal chapter 371, Hawaii Revised Statutes, which statutorily established the Secondary School Students Conference Law.

For purposes of public hearing, your Committee circulated a proposed H.D. 1 draft that transfers the occupational and physical therapy programs for children with special needs from the Department of Health (DOH) to the Department of Education (DOE).

DOH, DOE, and an individual testified in support of the proposed draft.

Your Committee has amended this bill by:

- (1) Incorporating the amendments made in the proposed H.D. 1 draft;
- (2) Changing the effective date to take effect on January 1, 2001; and
- (3) Making technical, nonsubstantive revisions for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 185, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 185, S.D. 2, H.D. 1.

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

**SCRep. 1364-00 Finance on S.B. No. 1095**

The purpose of this bill is to allow licensed hunters to use handguns to hunt game animals for an additional two years to evaluate the effects handgun hunting may have in the State.

The Department of Land and Natural Resources, Hawaii Rifle Association, Hawaii Citizens' Rights Political Action Committee, Hawaii Hunting Advisory Council, and an individual testified in support of this bill.

Your Committee has amended this bill by changing the effective date to June 29, 2000.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1095, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1095, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa.

**SCRep. 1365-00 Finance on S.B. No. 1281**

The purpose of this bill, as received by your Committee, is to require:

- (1) The Board of Trustees (Board) of the Employees' Retirement System (ERS) to appoint a chief investment officer and an assistant administrator; and
- (2) The Attorney General to serve as legal advisor to the Board.

For purposes of the public hearing, your Committee circulated a proposed H.D. 2 version authorizing ERS to establish a benefit restoration plan that would allow members of ERS to receive benefits in excess of limits imposed by section 415 of the Internal Revenue Code of 1986, as amended.

The Board testified in support of the proposed draft. The Department of Budget and Finance testified in support of the proposed draft, provided the benefit restoration plan does not result in increases to employer contributions for pension accumulation.

Upon further consideration, your Committee has amended this measure by deleting its substance and incorporating the amendments made in the proposed H.D. 2 version. Additional technical, nonsubstantive amendments were made for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1281, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1281, S.D. 2, H.D. 2.

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

**SCRep. 1366-00 Finance on S.B. No. 2059**

The purpose of this bill is to establish a more current standard to calculate the amount of general assistance a family with minor dependents receives by:

- (1) Increasing the standard of need for families of given sizes to equal the federal poverty level established by the federal government in 2000;
- (2) Increasing the assistance allowance to:
  - (a) 55 percent of the standard of need for exempt households, households in which all caretaker relatives are minors, living independently with minor dependents, and attending school; and
  - (b) Not more than 55 percent of the standard of need and not less than 43 percent of the standard of need for all other households;

and
- (3) Providing an annual cost of living increase for assistance allowance.

The Hawaii State Commission on the Status of Women, the National Association of Social Workers, the Welfare and Employment Rights Coalition, Na Loio, the Welfare & Employment Rights Coalition, Hawaii Women Lawyers, the Hawaii Area Program Office of the American Friends Service Committee, and an individual testified in support of this measure. The Department of Human Services supported the intent of the bill. Kokua Council submitted comments on the measure.

Your Committee has amended this bill by:

- (1) Deleting the percentage amounts in which the standards of need are based; and
- (2) Deleting the percentage amount for the annual cost of living increase.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2059, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2059, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1367-00 Finance on S.B. No. 2062**

The purpose of this bill is to continue the work of the Joint Legislative Committee on Long-term Care (Joint Legislative Committee) as required by Act 339, Session Laws of Hawaii 1997, by:

- (1) Extending the sunset date of the Joint Legislative Committee from June 30, 2000, to June 30, 2002;
- (2) Extending the deadline for the actuarial study on long-term care from November 15, 1999, to November 15, 2001;
- (3) Clarifying requirements for the actuarial study; and
- (4) Changing the appropriation for the actuarial study from \$100,000 for fiscal year 1999-2000 to \$200,000.

Supporting testimony was received from the Executive Office on Aging, Hawaii State Commission on the Status of Women, Faith Action for Community Equity, Healthcare Association of Hawaii, Coalition for Affordable Long Term Care, Kokua Council, Hawaii Women Lawyers, National Association of Retired Federal Employees, and the Hawaii State Legislative Committee of AARP. The Department of Commerce and Consumer Affairs submitted comments on the measure.

Your Committee has amended this bill by:

- (1) Providing for the carryover of unexpended and unencumbered funds to fiscal year 2000-2001 for the actuarial study and the expenses of the Joint Legislative Committee;
- (2) Retaining the \$100,000 appropriation for fiscal year 1999-2000 for the actuarial study; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2062, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2062, S.D. 1, H.D. 3.

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

**SCRep. 1368-00 Finance on S.B. No. 2115**

The purpose of this bill is to establish a Qui Tam Actions or Recovery of False Claims Act, modeled after the Federal False Claims Act, to allow persons with evidence of fraud against state programs or contracts to sue the wrongdoer on behalf of the State.

The Department of the Attorney General and the Consumer Lawyers of Hawaii testified in support of this bill.

Your Committee has amended this bill by inserting language that will bar claims from being brought under this Act if a civil or criminal investigation is already being conducted by the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2115, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2115, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1369-00 Finance on S.B. No. 2134**

The purpose of this bill is to:

- (1) Reduce fees for animal quarantine users by an unspecified percentage;
- (2) Not require the repayment from the Animal Quarantine Special Fund (Special Fund) of the \$600,000 that was initially deposited from the general fund to the Special Fund; and
- (3) Appropriate funds to the Special Fund.

The Chamber of Commerce of Hawaii and the Hawaiian Humane Society testified in support of this bill. DOA, the Department of Business, Economic Development, and Tourism, and the Hawaii Business Roundtable supported the intent of this measure.

Your Committee has amended this bill by:

- (1) Prohibiting the transfer of Special Fund moneys to the general fund;
- (2) Eliminating the provision that forgives the DOA from repaying any of the \$600,000 that was initially deposited from the general fund to the Special Fund; and
- (3) Making other technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2134, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2134, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.  
(Representative Schatz voted no.)

**SCRep. 1370-00 Finance on S.B. No. 2186**

The purpose of this bill is to allow the Department of Commerce and Consumer Affairs (DCCA) to regulate the use of independent bill reviewers by insurers for the evaluation of service providers' billing submissions.

DCCA, Hawaii Medical Association, Consumer Lawyers of Hawaii, Hawaii State Chiropractic Association, State Farm Insurance Companies, the Hawaii Chapter of the American Physical Therapy Association, and Castle Medical Center testified in support of this measure. Hawaii Insurers Council testified in opposition to this measure. Comments were submitted by an individual.

Your Committee has amended this bill by changing the amount of the appropriation to \$51,379 and making it applicable to fiscal year 2000-2001.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2186, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2186, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.  
(Representative Meyer voted no.)

**SCRep. 1371-00 Finance on S.B. No. 2221**

The purpose of this bill is to encourage the development of ethanol production by providing an income tax credit of forty cents per gallon of ethanol produced to qualifying producers of fuel-grade ethanol.

Your Committee circulated a proposed H.D. 2 of this bill for the purpose of public hearing. This draft:

- (1) Provides an income tax credit for investors in ethanol production as a percentage of the total amount invested in a qualifying ethanol production facility, excluding land costs;
- (2) Requires that a qualifying ethanol production facility must annually operate at 75 percent of its nameplate capacity for an investor in that facility to claim the maximum allowable tax credit; and
- (3) Allows for the transfer of the tax credit upon the acquisition of a qualifying ethanol production facility, or interest in that facility, during the allowable credit period.

The Department of Business, Economic Development, and Tourism, Hawaii Renewable Energy Alliance, E D and F Man Alcohol, Inc., Life of the Land, Worldwide Energy Group, Inc., and an individual supported the proposed H.D. 2. Alexander and Baldwin, Inc. supported the intent of the proposed H.D. 2. The Department of Taxation, Tax Foundation of Hawaii, and the Western States Petroleum Association commented on the proposed H.D. 2.

Your Committee has amended this bill by adopting the changes made in the proposed version and made additional technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2221, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2221, S.D. 1, H.D. 2.

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

**SCRep. 1372-00 Finance on S.B. No. 2312**

The purpose of this bill is to appropriate general funds for deposit into the Hoisting Machine Operators Certification Revolving Fund for certification and related activities concerning hoisting machine operators.

The Department of Labor and Industrial Relations and the Hawaii Operating Engineers Industry Stabilization Fund testified in support of the bill.

Your Committee has amended this bill by:

- (1) Changing the appropriation amount to \$1 for the purposes of continued discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2312, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2312, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Ahu Isa.

**SCRep. 1373-00 Finance on S.B. No. 2411**

The purpose of this bill is to develop additional markets for Hawaii-grown coffee by authorizing the issuance of special purpose revenue bonds to assist Kauai Coffee Company, Inc., in planning and building a processing plant for freeze-dried coffee; provided that the Department of Budget and Finance (B&F):

- (1) Evaluate Kauai Coffee Company, Inc.'s application for financing the processing plant; and
- (2) Report its findings and recommendations to the Legislature prior to the convening of the Regular Session of 2001.

Kauai Coffee Company testified in support of the measure. The Department of Agriculture testified in support of the intent of the measure.

Your Committee has amended this bill by deleting the requirements that B&F evaluate and report its findings. Other technical, nonsubstantive amendments were made for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2411, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2411, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1374-00 Finance on S.B. No. 2419**

The purpose of this bill is to encourage financial institutions to make higher risk loans to small businesses and nonprofit organizations in a cost-efficient and simple manner through the Capital Access Program (CAP) to be operated by the Department of Business, Economic Development, and Tourism (DBEDT).

Under CAP, a financial institution and a borrower pay an up-front insurance premium which goes into a reserve account. The State matches these contributions with a deposit into the same account. With the added protection provided by this account, a financial institution would be more willing to make higher risk loans.

DBEDT testified in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2419, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2419, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1375-00 Finance on S.B. No. 2448**

The purpose of this bill is to enhance services for autism and autism spectrum disorders (ASDs) by:

- (1) Establishing the Hawaii Autism Center for Excellence (Center) within the University of Hawaii at Manoa, School of Medicine, for autism and ASD services, training, and research; and
- (2) Appropriating unspecified funds for start-up funding of the Center.

Supporting testimony was received from the John A. Burns School of Medicine of the University of Hawaii at Manoa, the Department of Education, the Department of Health, the State Children's Council, the Hawaii Speech-Language-Hearing Association, the Hawaii affiliate organization for the Autism Society of America, the Institute for Family Enrichment, the Hawaii Coalition of Health, and several individuals.

Your Committee has amended this bill by:

- (1) Clarifying that the Center is to conduct and coordinate research that shall be a multidisciplinary effort among educational, psychosocial, and behavioral disciplines; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2448, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2448, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1376-00 Finance on S.B. No. 2486**

The purpose of this bill is to establish a system for imposing the tax on cigarettes through the use of stamps sold by the Department of Taxation (DOTAX) to wholesalers and dealers of cigarettes, who are to affix the stamps to cigarette packages prior to distribution.

The Department of the Attorney General, the Department of Health, and Legislative Information Services of Hawaii testified in support of this bill. DOTAX supported the intent of this bill. The Tax Foundation of Hawaii offered comments on this bill.

Your Committee has amended this bill by:

- (1) Changing the effective date to take effect upon its approval instead of July 1, 2050; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2486, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2486, S.D. 2, H.D. 2.

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

**SCRep. 1377-00 Finance on S.B. No. 2530**

The purpose of this bill is to authorize the issuance of \$10,000,000 in special purpose revenue bonds to assist Hawaii Gold Cacao Tree, Inc. to finance the establishment of facilities in Hawaii county to process cacao beans and manufacture and produce cacao and chocolate products.

Hakalau Farm and Nursery, Rural Economic Transition Assistance Hawaii, Hawaii Small Business Development Center Network, and Hawaii Gold Cacao Tree, Inc. submitted testimony in support of this bill. The County of Hawaii supported the intent of the measure. The Department of Budget and Finance (B&F) and Department of Agriculture provided comments.

Your Committee has amended this measure by:

- (1) Removing an unnecessary requirement that B&F process applications for special purpose revenue bonds in accord with its own special purpose revenue bond "Formal Application for Financing of an Industrial Enterprise" procedure, a requirement set forth in B&F's administrative rules;
- (2) Removing the mandate that B&F report to the legislature 20 days prior to the regular sessions of 2001 and 2002 regarding progress made with respect to issuance of the special purpose revenue bonds under the bill; and
- (3) Making technical, nonsubstantive amendments for style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2530, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2530, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1378-00 Finance on S.B. No. 2607**

The purpose of this bill is to enable the Commission on the Status of Women (Commission) to become financially self-sufficient by:

- (1) Establishing a Trust Fund for the Commission; and
- (2) Updating statutory language relating to the duties and powers of the Commission.

The Commission, the Departments of Public Safety and Labor and Industrial Relations, the Honolulu County Committee on the Status of Women, the Office of Student Equity, Excellence, and Diversity at the University of Hawaii at Manoa, the National Association of Social Workers, the Hawaii Women's Political Caucus, Hawaii Women Lawyers, the Hawaii Coalition for Affordable Long Term Care, the Sex Abuse Treatment Center, the Hawaii Area Program of the American Friends Service Committee, Volunteer Legal Services Hawaii, the Violence Prevention Consortium, the Hawaii Civil Rights Commission, and numerous individuals testified in support of this measure. The Department of Accounting and General Services submitted comments.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2607, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2607, S.D. 1, H.D. 3.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1379-00 Finance on S.B. No. 2731**

The purpose of this bill is to specify that insurance premium tax refunds be paid out of the general fund rather than out of insurance regulation funds.

The Department of Commerce and Consumer Affairs testified in support of the intent of the measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee has amended the bill by making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2731, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2731, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1380-00 Finance on S.B. No. 2533**

The purpose of this bill is to require, as a condition of a deferred acceptance of guilty plea or deferred acceptance of nolo contendere plea, payment of a compensation fee to be deposited into the Crime Victim Compensation Special Fund.

The Crime Victim Compensation Commission and the City and County of Honolulu's Department of the Prosecuting Attorney testified in support of this bill.

Your Committee has amended this bill to correct technical drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2533, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2533, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Kanoho, Luke and Moses.

**SCRep. 1381-00 Finance on S.B. No. 2779**

The purpose of this bill is to strengthen the State's Enterprise Zones Law by:

- (1) Allowing the following businesses to qualify for enterprise zone benefits:
  - (a) Businesses engaged in the research, development, sale, or production of all types of genetically-engineered medical, agricultural, or maritime biotechnology products;
  - (b) Service businesses that repair assisted technology equipment; and
  - (c) Call centers;

and

- (2) Clarifying certain administrative procedures.

Testimony in support of this measure was submitted by the Department of Taxation, the Department of Business, Economic Development, and Tourism, the High Technology Development Corporation, and the Hawaii Technology Trade Association. The Chamber of Commerce of Hawaii supported the intent of this bill, and the Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by making technical, nonsubstantive revisions to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2779, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2779, S.D. 1, H.D. 2.

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

**SCRep. 1382-00 Finance on S.B. No. 2808**

The purpose of this bill is to:

- (1) Enable the Division of Consumer Advocacy (Division) to develop the institutional knowledge and an understanding of the underlying theories of utility regulation by authorizing the Division to retain its own legal counsel; and
- (2) Repeal the authority of the Hawaiian Home Lands Trust Individual Claims Review Panel (Review Panel) to hire and retain legal counsel.

The Public Utilities Commission, GTE, Kauai Electric, and the Gas Company testified in support of authorizing the Division to retain legal counsel. Hawaiian Electric Company and its subsidiaries testified in support of the intent of authorizing the Division to retain legal counsel. The Consumer Advocate submitted comments.

Your Committee has amended this measure by:

- (1) Allowing the Review Panel to continue to hire and retain legal counsel, as repealing the Review Panel's authority would not be encompassed under the title of the bill;
- (2) Appropriating \$137,089 to hire two staff attorneys for the Division;
- (3) Providing that the appropriation provision takes effect on July 1, 2000; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2808, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2808, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1383-00 Finance on S.B. No. 2843**

The purpose of this bill is to provide for a more effective administration and disposal of Hawaiian home lands by:

- (1) Clarifying the Department of Hawaiian Home Lands' (DHHL) authority to lease out improvements situated on Hawaiian home lands; and
- (2) Providing flexibility in the manner in which DHHL may dispose of Hawaiian home lands to a native Hawaiian or to an organization or association controlled by native Hawaiians.

Your Committee circulated a proposed H.D. 2 version of this bill for purposes of discussion and public hearing. The proposed H.D. 2 version also allows licenses granted by DHHL to be considered franchises for the purpose of installing infrastructure on Hawaiian home lands.

DHHL testified in support of the proposed draft. GTE and Hawaiian Electric Company and its subsidiaries submitted comments on the proposed draft.

Upon further consideration, your Committee has amended this measure by incorporating the amendments made in the proposed H.D. 2 version. Additional amendments were made to the proposed H.D. 2 version, including:

- (1) Clarifying that the license be considered a non-exclusive franchise;
- (2) Changing the effective date of this measure to July 1, 2005, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style and to conform to drafting conventions.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2843, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2843, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Suzuki and Yamane.

**SCRep. 1384-00 Finance on S.B. No. 2863**

The purpose of this bill is to support individuals' medical treatment decisions by:

- (1) Enabling medical professionals, especially in emergency situations, to more quickly determine the existence of an advance health-care directive by allowing individuals to designate on their driver's license or State identification (ID) card the existence of an advance health-care directive; and
- (2) Appropriating \$6,000 for the Department of the Attorney General to comply with this bill.

The Department of the Attorney General, the Executive Office on Aging, Healthcare Association of Hawaii, and the Policy Advisory Board on Elderly Affairs testified in support of this measure. The Department of Transportation testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that no specific medical treatment information will be imprinted on the State ID card; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2863, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2863, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1385-00 Finance on S.B. No. 2870**

The purpose of this bill is to enable the State to meet requirements set by the U.S. Congress that the State certify distribution system operators. This bill provides for distinct certifications of distribution system operators and water treatment plant operators.

The Department of Health testified in support of this measure.

Your Committee has amended this bill by making technical revisions including:

- (1) Inserting a definition of "public water system";
- (2) Deleting the definition of "water treatment plant";
- (3) Directing the Board of Certification to define the terms "water treatment plant" and "distribution system"; and
- (4) Specifying that no person shall be in violation of operating a distribution system until rules are adopted to classify distribution systems and certify their operators.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2870, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2870, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1386-00 Finance on S.B. No. 2873**

The purpose of this bill is to authorize a State guaranty not to exceed \$47,500,000 to secure the issuance of \$38,000,000 in Hawaii Health Systems Corporation (HHSC) revenue bonds.



The Maui Region Public Health Facility Management Advisory Council, Hawaii Government Employees Association, the Chamber of Commerce of Hawaii, Maui Memorial Medical Center, and two individuals testified in support of this bill. The Department of Budget and Finance testified in opposition to this bill.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2005; and
- (2) Making technical, nonsubstantive changes for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2873, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2873, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1387-00 Finance on S.B. No. 2905**

The purpose of this bill is to extend the period during which employers must contribute to the Employment and Training Fund (Fund) until December 31, 2003.

The Hawaii Business League testified in support of this bill.

Oceanic Institute, Simple Office Solutions, National Tropical Botanical Garden, Copiers Hawaii, Inc., People Attentive to Children, Chun Kim Chow, Ltd., Hawaii Fashion Industry Association, John Mullen & Co., Inc., First American Long and Melone Title Company, Ltd., Hawaii County Private Industry Council/Workforce Investment Board, Edward K. Noda and Associates, Inc., and several individuals offered comments on this bill.

The Department of Labor and Industrial Relations and the National Federation of Independent Business testified in opposition to this bill.

Your Committee has amended this bill by:

- (1) Changing the assessment percentages for 2001 and 2002 to .03 and .01 percent of taxable wages for 2001 and 2002, respectively; and
- (2) Requiring that the audit of the Employment and Training Fund assess the feasibility and merit of levying a nominal training charge.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2905, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2905, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa.

**SCRep. 1388-00 Finance on S.B. No. 2945**

The purpose of this bill is to:

- (1) Impose the use tax on contracting imported for resale or use in Hawaii;
- (2) Provide pyramiding relief from the general excise tax for the sale of amusements;
- (3) Provide a lower public services company tax rates on telecommunications services and transportation services that are resold to contractors; and
- (4) Make technical amendments to statutory provisions enacted under Acts 70 and 71, Session Laws of Hawaii 1999.

The Department of Taxation, the Hawaii Hotel Association, the American Institute of Architects, and AT&T testified in support of this measure. The Tax Foundation of Hawaii, GTE, Honolulu Freight Service, Emery Worldwide, and Con-Way Transportation Services submitted comments.

Your Committee has amended this measure by:

- (1) Deleting contract carriers from the public service company tax relief;
- (2) Making technical amendments relating to the effective date of the bill; and

- (3) Making other technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2945, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2945, S.D. 1, H.D. 3.

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

**SCRep. 1389-00 Finance on S.B. No. 2948**

The purpose of this bill is to encourage higher education and training in science and technology fields that are essential to economic development in this State by:

- (1) Establishing a five-year New Economy Technology Scholarship Pilot Program (Pilot Program) to:
- (A) Create a sustained pool of highly-trained technology workers in the shortest time possible; and
  - (B) Encourage Hawaii students to pursue higher education and training in science and technology fields;
- and
- (2) Providing an income tax credit for the cost of training the taxpayer or the taxpayer's employees to upgrade their technology-related skills.

The High Technology Development Corporation and the Hawaii Technology Trade Association testified in support of this measure. The Department of Business, Economic Development, and Tourism (DBEDT) testified in support of the intent of this measure. The Hawaii Educational Networking Consortium testified in support of the Pilot Program and in support of the intent of the tax credit. The Department of Taxation opposed this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee notes that DBEDT testified that it is not the appropriate agency to conduct an academic-related program to provide scholarships for workforce development.

Your Committee has amended this measure by changing its effective date to July 1, 2010.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2948, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2948, S.D. 1, H.D. 2.

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

**SCRep. 1390-00 Finance on S.B. No. 3179**

The purpose of this bill is to prohibit:

- (1) The sale and distribution of cigarettes designated for export and sale outside the United States; and
- (2) The altering of such cigarette packages.

The Legislative Information Services of Hawaii testified in support of the measure.

Your Committee has amended the bill by:

- (1) Changing its effective date to July 1, 2000; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3179, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3179, H.D. 3.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1391-00 Finance on S.B. No. 3199**

The purpose of this bill is to facilitate the importation of microorganisms for research and commercial purposes while maintaining safe quarantine regulations by:

- (1) Creating separate statutory sections for the importation of plants, animals, and microorganisms to reflect the different requirements for each category;
- (2) Authorizing the Department of Agriculture (DOA) to determine the level of risk for unlisted microorganism requests; and
- (3) Authorizing DOA to issue an emergency permit on a case-by-case basis for the importation and possession of listed restricted microorganisms and unlisted microorganisms.

Supporting testimony was received from DOA and the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committee has amended this bill:

- (1) As recommended by DOA, by adding language allowing DOA, upon request, to conduct off-site inspections of articles or other containers that have been brought into the state, if the requester pays the costs of off-site inspections; and
- (2) By making technical, nonsubstantive amendments for clarity and style, and to conform to current statutory law.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3199, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3199, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1392-00 Finance on S.B. No. 3201**

The purpose of this bill is to require the Director of Transportation (Director) to establish design guidelines governing construction and reconstruction of roads, streets, and bridges. The guidelines are to take into account economic, safety, environmental, scenic, aesthetic, and historic impacts, and effects on, and integration with the interests of adjacent communities and alternative modes of transportation.

In developing the guidelines the Director is also required to solicit and consider the views of organizations and elected officials including the State Foundation on Culture and the Arts, and the Rural Development Councils.

Hawaii's Thousand Friends, Historic Hawaii Foundation, and Hanalei Heritage River submitted testimony in support of this measure. The Department of Transportation supported the intent of the bill.

Your Committee has amended this bill by:

- (1) Replacing the term "standards" with "design guidelines"; and
- (2) Making other technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3201, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3201, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Kanoho and Meyer.

**SCRep. 1393-00 Finance on S.B. No. 2074**

The purpose of this bill is to increase the range and quality of programming appropriate for the needs of female offenders to make it equivalent to the programming offered to male offenders by:

- (1) Mandating that the Director of Public Safety (Director) provides model programs for female offenders that respond to statewide needs and award grants to these programs; and
- (2) Establishing an advisory council whose purpose is to
  - (A) Develop a plan to increase interagency cooperation to address needs unique to female offenders;
  - (B) Recommend programming needs to the Department of Public Safety (DPS) and the Office of Youth Services; and
  - (C) Identify other issues related to programming for adult and juvenile female offenders;
- (3) Mandating that the Director make a planning grant available from funds appropriated by the Legislature;

- (4) Establishing the duties and responsibilities of the Director regarding these programs; and
- (5) Appropriating funds for these purposes.

The Hawaii State Commission on the Status of Women, the Sex Abuse Treatment Center, Government Efficiency Teams, Inc., Community Alliance on Prisons, and numerous individuals from T.J. Mahoney & Associates testified in support of this bill. DPS, the Office of Youth Services, and the Attorney General supported the intent of this bill.

Your Committee has amended this bill by:

- (1) Placing this Act in the Session Laws of Hawaii;
- (2) Deleting section one of the bill regarding parity programs which may create an affirmative obligation to provide services regardless of the availability of resources;
- (3) Authorizing the Director to appoint an advisory council; and
- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2074, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1394-00 Finance on S.B. No. 2420**

The purpose of this bill is to:

- (1) Allow the High Technology Development Corporation (HTDC) to issue special purpose revenue bonds and special facility revenue bonds for the development of high technology projects;
- (2) Provide tax credits to encourage research and development for intellectual properties;
- (3) Allow the Board of Trustees of the Employees' Retirement System (ERS) to invest ten percent of ERS funds in qualified technology businesses;
- (4) Appropriate funds for educational programs under the Department of Education, the Pacific Center for Advanced Technology Training, and the University of Hawaii;
- (5) Exempt the members of the Governor's Special Advisory Council for Technology Development from the Senate confirmation process and from the need to file a disclosure of financial interests with the State Ethics Commission;
- (6) Develop partnerships between the Hawaii Tourism Authority and Hawaii's business community to promote the State as a place to do high technology business;
- (7) Give increased autonomy and authority to HTDC over its fiscal and personnel matters;
- (8) Establish the Hawaii Venture Capital Technology Revolving Fund;
- (9) Require HTDC to establish programs for seed capital assistance, venture capital assistance, and capital access;
- (10) Put the Chief Executive Officer of HTDC, the Executive Director of the Natural Energy Laboratory of Hawaii Authority (NELHA), and the President of the Hawaii Strategic Development Corporation (HSDC) on each others' boards; and
- (11) Require the Department of Business, Economic Development, and Tourism and HTDC to report on the Hawaii Capital Loan Program.

The Governor's Special Assistant for Technology Development, HTDC, and Hawaii Technology Trade Association supported this bill. The Department of Budget and Finance, the Department of Taxation, ERS, and the Tax Foundation of Hawaii commented on this bill.

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

- (1) Deleting provisions allowing HTDC to issue special purpose revenue bonds and special facility revenue bonds for the development of high technology projects;
- (2) Changing the provisions that place the chief executive officer of HTDC, the executive director of NELHA, and the president of HSDC on each others' boards such that an appointed member of each of those organizations' boards is included on each others' boards, rather than the specified officers;
- (3) Clarifying that the ERS may invest in Hawaii high technology businesses or venture capital investments into which, in the informed opinion of its Board of Trustees, it is prudent to invest ERS funds;
- (4) Reducing all the appropriations to blank amounts; and
- (5) Making numerous technical, nonsubstantive changes for purposes of style and clarity, and to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2420, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2420, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1395-00 Finance on S.B. No. 2692**

The purpose of this bill is to allow the Chief Justice to determine the salaries of certain judiciary administrative officers based on merit and other relevant factors.

The Judicial Salary Commission testified in support of this bill. The Judiciary offered comments on this bill.

Your Committee has amended this bill by adding a restriction that the salaries be no more than that of the Administrative Director of the State, or \$90,041 a year.

Other technical, nonsubstantive amendments were made for purposes of style, clarity, and conformity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2692, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2692, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1396-00 Finance on S.B. No. 2741**

The purpose of this bill is to support the efforts of the Department of Agriculture to complete the State Agricultural Water Use and Development Plan (Plan) by:

- (1) Extending the time in which to submit the Plan as provided for in Act 101, Session Laws of Hawaii 1998; and
- (2) Appropriating funds for the development of the Plan.

The Board of Agriculture testified in support of the measure. The Department of Land and Natural Resources commented on the measure.

Your Committee has amended this bill by:

- (1) Deleting the appropriation amount to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2741, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2741, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1397-00 Finance on S.B. No. 2745**

The purpose of this bill is to support the aquaculture industry by:

- (1) Authorizing the Department of Agriculture (DOA) to establish and assess fees:

- (a) For aquatic animal and plant diagnostic services; and
  - (b) Any items or expert services purchased from DOA relating to aquaculture planning, disease management, and the marketing of seafood products;
- (2) Establishing the Aquaculture Development Special Fund (Special Fund) to:
- (a) Implement the aquatic disease management programs and related activities; and
  - (b) Support research and development programs and activities relating to the expansion of the State aquaculture industry;
- and
- (3) Appropriating funds out of the Special Fund to carry out the purposes for which it was created.

The DOA and the Hawaii Aquaculture Association testified in support of this bill. Aquatic Farms Ltd. offered comments on this bill.

Your Committee has amended this bill by changing the amount appropriated to \$30,000. Other technical, nonsubstantive amendments were made for style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2745, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2745, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1398-00 Finance on S.B. No. 2758**

The purpose of this bill is to amend Hawaii's child support enforcement laws to comply with Title IV-D of the Social Security Act by:

- (1) Requiring the use of a standard format for withholding orders;
- (2) Allowing the Child Support Enforcement Agency to notify an employer to terminate an order for income withholding; and
- (3) Eliminating the requirement that orders for income withholding be served on employers by certified or registered mail, and substitutes regular mail as an option for service in addition to personal delivery or transmission through electronic means.

The Department of the Attorney General testified in support of this bill.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2758, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2758, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1399-00 Finance on S.B. No. 2781**

The purpose of this bill is to:

- (1) Repeal the Qualified Improvement Tax Credit established by Act 306, Session Laws of Hawaii 1999;
- (2) Establish, in place of the Qualified Improved Tax Credit, the Hotel Construction and Remodeling Tax Credit (Tax Credit). If costs exceed \$1,000,000 per project, a qualified taxpayer would be allowed to take a four percent income tax credit for construction and remodeling costs that are incurred for the qualified hotel/condo and time share project in Hawaii; and
- (3) Makes the Tax Credit available for taxable years beginning after December 31, 1998, through December 31, 2006.

The Department of Taxation, the Consulting Engineers Council of Hawaii, the Hawaii State Council of the American Institute of Architects, the Subcontractors' Association of Hawaii, the General Contractors Association of Hawaii, Pahio Resorts, the Land

Use Research Foundation of Hawaii, the Waikiki Improvement Association, the Hilton Hawaiian Village, the Hawaii Hotel Association, the Pacific Resource Partnership, Paul Louie & Associates, Inc., the Hawaii Developers' Council, Hawaii Resort Developers Conference, Visitor Industry Coalition, and an individual testified in support of this measure.

The Hawaii Tourism Authority, the Retail Merchants of Hawaii, the Hawaii Construction Industry Association, and the Chamber of Commerce of Hawaii supported the intent of this bill.

The Department of Business, Economic Development, and Tourism, the American Resort Development Association of Hawaii, the ILWU Local 142, Hidano Construction, Inc., Tax Foundation of Hawaii, the Construction Industry Legislative Organization, and the Plumbers/Fitters Union Local 675 submitted comments.

Your Committee has amended this measure by:

- (1) Allowing any developer of a time share project to qualify for the Tax Credit;
- (2) Specifying that to qualify for the Tax Credit, the taxpayer must be in compliance with all applicable federal, state, and county statutes, rules, and regulations;
- (3) Changing the effective date to July 1, 2005, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2781, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2781, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Catalani.

**SCRep. 1400-00 Finance on S.B. No. 2935**

The purpose of this bill is to counter increased property and violent crime associated with the use of methamphetamines by:

- (1) Repealing the mandatory minimum terms of imprisonment for drug offenses in the second and third degrees involving the possession or distribution of methamphetamine; and
- (2) Requiring that persons convicted of methamphetamine offenses in the second and third degrees who are sentenced to probation shall participate in drug treatment or education programs and pay for their participation in the program to the extent of their financial ability.

The Department of Public Safety and the Community Alliance on Prisons testified in support of this measure. The City and County Police Department and the City and County Department of the Prosecuting Attorney opposed passage of this bill. The Judiciary offered comments.

Your Committee has amended this bill by:

- (1) Retaining the mandatory minimum terms of imprisonment for drug offenses in the second degree involving the possession or distribution of methamphetamine;
- (2) Requiring persons on probation for an offense involving only the possession of methamphetamine, and not its distribution, to participate in a drug treatment or education program; and
- (3) Making technical, nonsubstantive amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2935, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2935, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Catalani.  
(Representatives Fox and Moses voted no.)

**SCRep. 1401-00 Finance on S.B. No. 3032**

The purpose of this bill is to stimulate economic development in Hawaii by:

- (1) Clarifying what constitutes a Qualified Improvement Tax Credit; and
- (2) Partially exempting the Hawaii Tourism Authority from the Environmental Impact Statement (EIS) law and excluding marketing and promotional activities not requiring a discretionary permit from actions initiated under the EIS law.

Specifically, this bill:

- (1) Allows a tax credit to reduce a taxpayer's net income tax, general excise tax, or public service company tax liability for qualified improvement costs as follows:
  - (a) 10 percent for qualified improvement costs totalling \$1,000,000 to \$5,000,000;
  - (b) 15 percent for qualified improvement costs totalling over \$5,000,000 to \$10,000,000; and
  - (c) 20 percent for qualified improvement costs totalling over \$10,000,000; provided that:
    - (i) If the taxpayer is a general contractor on the project, all employees are paid prevailing wages; and
    - (ii) In any contract let in connection with the project, stipulations require that the contractor and subcontractor pay the prevailing wages for employees working on the project;
- (2) Requires taxpayers qualifying for a Qualified Improvement Tax Credit of 15 percent or more, who purchases an operating hotel and closes the hotel for renovation, to retain nonsupervisory, nontipped employees on the payroll for at least six months following the hotel's closure;
- (3) Defines "qualified improvement costs" as any capitalized costs for construction and equipment of a permanent nature on property designated primarily for hotel or resort use or primarily used for hotel use, resort use, or commercial or recreational use to support or service a hotel or resort use;
- (4) Disallows Transient Accommodations Tax credits from qualified improvement costs;
- (5) Requires the Director of Taxation (Director) to develop procedures for the distribution and share of Qualified Improvement Tax Credits; and
- (6) Authorizes the Director to develop a plan for each qualified taxpayer that phases in the Qualified Improvement Tax Credits claimed by the taxpayer over a ten-year period.

The Hawaii Construction Industry Association, the Hawaii State Council of the American Institute of Architects, the Subcontractors' Association of Hawaii, Paul Louie & Associates, Inc., the Waikiki Improvement Association, the Visitor Industry Coalition, the Consulting Engineers Council of Hawaii, the Hawaii Developers' Council, the General Contractors Association of Hawaii, Hidano Construction, Inc., the Land Use Research Foundation of Hawaii, and the Hilton Hawaiian Village testified in support of this measure.

A council member from Hawaii County, the Hawaii Chapter of the Sierra Club, Hawaii's Thousand Friends, the Hawaii Audubon Society, and several individuals opposed this measure.

The Department of Taxation, the Environmental Center of the University of Hawaii at Manoa, Tax Foundation of Hawaii, Chamber of Commerce of Hawaii, ILWU Local 142, the Hawaii Hotel Association, the American Resort Development Association of Hawaii submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2005, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3032, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3032, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Catalani.  
(Representative Schatz voted no).

**SCRep. 1402-00 Finance on S.B. No. 568**

The purpose of this bill, as received by your Committee, is to protect heiau sites in the State by:

- (1) Defining "heiau" as pre-Christian Hawaiian places of worship;
- (2) Defining and implementing penalties for altering, removing, or excavating any heiau on public or private lands; and



- (3) Requiring the Department of Land and Natural Resources (DLNR) to establish and support a Burial Sites Program (Program) and to implement duties and responsibilities relating to burial sites and human skeletal remains.

Your Committee finds that more discussion needs to take place on the definition of "heiau" and various laws relating to the preservation of native Hawaiian burial sites, heiau, and artifacts. Furthermore, there is general agreement that the Program should provide administrative support to the island burial councils.

Your Committee circulated a proposed H.D. 3 version of this bill for purposes of public hearing and discussion. The proposed H.D. 3 version deletes the definition of the term "heiau" and the penalties for altering, removing, or excavating any heiau in the State.

DLNR, the Office of Hawaiian Affairs, the Temple of Lono, and an individual testified in support of this bill.

Upon further consideration, your Committee has amended the proposed draft by:

- (1) Clarifying that DLNR shall give administrative support for the "island burial councils" rather than "burial councils"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 568, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 568, S.D. 2, H.D. 3.

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

**SCRep. 1403-00 Finance on S.B. No. 2433**

The purpose of this bill, as received by your Committee, is to provide for privatized correctional facilities in the State by, among other things:

- (1) Authorizing the Governor to:
  - (a) Enter into and execute contracts in the name of the State with any private entity to operate correctional facilities at sites within the State and selected by the Governor; and
  - (b) Negotiate with any person for the development of a private correctional facility capable of housing both minimum and medium security inmates to be situated on lands identified as a portion of TMK 1-6-001-025 and 1-6-001-002;
- (2) Enabling the Department of Public Safety (DPS) to grant a license to a private correctional facility determined by DPS;
- (3) Establishing the Citizens Oversight Committee for consultation during site selection and facility design; and
- (4) Appropriating funds for the preparation of an environmental impact statement (EIS) for the development of a private correctional facility.

The Chamber of Commerce of Hawaii, Government Efficiency Teams, Inc., and Associated Builders and Contractors, Inc. testified in support of the measure. DPS testified in support of the intent of the measure. Opposing testimony was received from E Ho'opakele and the Community Alliance on Prisons.

Your Committee has amended this bill by deleting its contents and inserting the substantive provisions of H.B. No. 2739, H.D. 2, which:

- (1) Authorizes the Governor to negotiate with any person for the development of a private correctional facility:
  - (A) Capable of housing both minimum and medium security inmates;
  - (B) Offering educational and drug and alcohol rehabilitation and treatment programs; and
  - (C) To be situated on lands identified as a portion of TMS 1-6-001-025 and 1-6-001-002;

and
- (2) Appropriates funds for the preparation of an EIS for the development of a private correctional facility.

Your Committee further amended the bill to allow funds appropriated for the development of a new correctional facility to be used to match any available federal funding, and to make technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2433, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2433, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1404-00 Finance on S.B. No. 2574**

The purpose of this bill is to give the University of Hawaii (UH) Community Colleges the flexibility to manage resources and operations in a more effective and efficient manner by clarifying the types of deposits that can be made into its special fund.

UH testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the special fund may include deposits from the UH Tuition and Fees Special Fund as established in section 304-16.5, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2574, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2574, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1405-00 Finance on S.B. No. 2579**

The purpose of this bill is to:

- (1) Authorize the issuance of an unspecified amount of general obligation bonds to provide supportive housing for people with mental illness and substance abuse addictions in the homeless population; and provided that no funds will be made available unless the private sector provides a 1 to 5 match of the sum to be expended.
- (2) Establish the Special Needs Housing Special Fund to receive the general obligation bond appropriation for fiscal year 2000-2001.

The Housing and Community Development Corporation of Hawaii, Catholic Charities Elderly Services, Affordable Housing and Homeless Alliance, Welfare & Employment Rights Coalition, Honolulu Community Action Program, Inc., Salvation Army Family Services Office, American Association of Retired Persons, and an individual testified in support of this bill. The Department of Health and the Department of Public Safety supported the intent of this bill. The Department of Budget and Finance offered comments on this bill.

Your Committee has amended this bill by:

- (1) Changing the appropriation amount to \$1 to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2579, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2579, S.D. 1, H.D. 2.

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

**SCRep. 1406-00 Finance on S.B. No. 2409**

The purpose of this bill is to:

- (1) Encourage the development of high technology industries in Hawaii by exempting amounts received by a telecommunications common carrier from a person operating a call center from General Excise and Public Service Company taxes;
- (2) Allows a Qualified Improvement Tax Credit to reduce a taxpayer's net income tax, general excise tax, or public service company tax liability for qualified improvement costs as follows:
  - (a) 10 percent for qualified improvement costs totalling \$1,000,000 to \$5,000,000;

- (b) 15 percent for qualified improvement costs totalling over \$5,000,000 to \$10,000; and
- (c) 20 percent for qualified improvement costs totalling over \$10,000,000; provided that:
  - (i) If the taxpayer is a general contractor on the project, all employees are paid prevailing wages; and
  - (ii) In any contract let in connection with the project, stipulations require that the contractor and subcontractor pay the prevailing wages for employees working on the project;
- (2) Requires taxpayers qualifying for a Qualified Improvement Tax Credit of 15 percent or more, who purchases an operating hotel and closes the hotel for renovation, to retain nonsupervisory, nontipped employees on the payroll for at least six months following the hotel's closure;
- (3) Defines "qualified improvement costs" as any capitalized costs for construction and equipment of a permanent nature on property designated primarily for hotel or resort use or primarily used for hotel use, resort use, or commercial or recreational use to support or service a hotel or resort use;
- (4) Disallows Transient Accommodations Tax credits from qualified improvement costs;
- (5) Requires the Director of Taxation (Director) to develop procedures for the distribution and share of Qualified Improvement Tax Credits; and
- (6) Authorizes the Director to develop a plan for each qualified taxpayer that phases in the Qualified Improvement Tax Credits claimed by the taxpayer over a ten-year period.

The High Technology Development Corporation, Laborers International Union of North America Local 368, Laborers-Employers Cooperation and Education Trust, International Association of Bridge, Structural, and Ornamental Iron Workers, Hawaii Operating Engineers Industry Stabilization Fund, Plumbers/Fitters Local 675, Waikiki Improvement Association, Hawaii Resort Developers Conference, Visitor Industry Coalition, Land Use Research Foundation of Hawaii, General Contractors Association of Hawaii, Consulting Engineers Council of Hawaii, Hidano Construction, Inc., Hawaii Technology Trade Association, Hawaii Construction Industry Association, American Institute of Architects Hawaii State Council, Paul Louie and Associates, Inc., Hawaii Developers' Council, and Hilton Hawaiian Village supported this bill.

The Chamber of Commerce of Hawaii supported the intent of this bill.

The Department of Taxation, American Resort Developers Association of Hawaii, the Hawaii Hotel Association, and the Tax Foundation of Hawaii commented on this bill.

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

- (1) Changing the effective date to July 1, 2005; and
- (2) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2409, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2409, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1407-00 Finance on S.B. No. 2716**

The purpose of this bill is to provide that the one-half of one percent wholesale tax rate for general excise and use taxes applies:

- (1) To a sale of goods or services by a printer to a publisher of magazines or similar materials containing advertisements;
- (2) When the publisher is under contract with advertisers to distribute a minimum number of the materials to the public; and
- (3) Whether or not the publisher charges the public for the material or distributes it without charge to the public.

The Hawaii Publishers Association, the Honolulu Publishing Company, Ltd., PMP Publishing Company, Ltd., Trade Publishing Company, Hagadone Printing, and Pacific Printing Industries testified in support of the measure. The Tax Foundation of Hawaii commented on the bill.

Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2005; and
- (2) Making technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2716, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2716, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1408-00 Finance on S.B. No. 2987**

The purpose of this bill is to provide equity for subcontractors in their relationship with general contractors relative to the amount withheld in the progress of their performance on a construction project by requiring equal retention rates on state projects for subcontractors who possess a valid performance and payment bond or another mutually agreeable form of collateral.

The General Contractors Association of Hawaii, the Plumbing and Mechanical Contractors Association of Hawaii, the Subcontractors' Association of Hawaii, and the Building Industry Association of Hawaii testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding a new section providing that government agencies have the authority to extend concession permits for additional periods in the event that the premises are under construction, renovation, or being prepared for a new use; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2987, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2987, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1409-00 Finance on S.B. No. 2722**

The purpose of this bill is to establish and implement an Hawaiian Language Immersion Program (Program) within the Department of Education (DOE).

The Hawaii State Teachers Association, the representative of the 7th District, and several individuals supported this bill. DOE and the Office of Hawaiian Affairs supported the intent of this bill.

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

- (1) Making the establishment of a Hawaiian Language Immersion Program discretionary rather than mandatory; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

Your Committee recognizes that the current success of the Program is due to the dedication and support of the parents. Your Committee also urges the Board of Education and the Department of Education to support this Program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2722, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2722, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1410-00 Finance on S.B. No. 3026**

The purpose of this bill is to improve public school facilities by:

- (1) Establishing the State Educational Facilities Repair and Maintenance Special Fund to eliminate the backlog of school repair and maintenance projects existing on June 30, 2000;
- (2) Establishing the School Physical Plant Operations and Maintenance Special Fund to pay for school repairs and cyclical maintenance projects scheduled after June 30, 2000;
- (3) Specifying how school repair and maintenance moneys are to be prioritized and allocated;

- (4) Establishing departmental school district business and fiscal officers to oversee school facilities planning;
- (5) Authorizing the issuance of general obligation bonds for these special funds; and
- (6) Making other related appropriations.

The Hawaii Association of Realtors testified in support of this measure. The Departments of Education, Budget and Finance, and Accounting and General Services and the Hawaii State Teachers Association testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the business and fiscal officer does not have to be a licensed or credentialed teacher; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3026, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3026, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Schatz.  
(Representative Meyer voted no).

**SCRep. 1411-00 Finance on S.B. No. 3123**

The purpose of this bill is to support the successful transition from public assistance to self-sufficiency through a benefits program for public assistance recipients by creating within the Department of Human Services (DHS), a post-secondary education benefits program called the Bridge to Hope Program (Program) for heads of households in the Temporary Assistance to Needy Families (TANF) Program.

The University of Hawaii (UH), Hawaii State Commission on the Status of Women, National Association of Social Workers, Welfare and Employment Rights Coalition, Kokua Council, Hawaii Area Program of the American Friends Service Committee, and numerous individuals testified in support of the measure. DHS testified in support of the intent of the measure.

Your Committee finds that there is a significant correlation between education and a person's ability to earn income. Therefore, to make a concerted effort to promote self-sufficiency and move people off the welfare rolls and onto the State's workforce, measures must be taken to facilitate education and training while, at the same time, providing public assistance.

Your Committee believes that the bill, as received, may be too restrictive in nature. To provide a greater number of TANF recipients with the ability to participate in the Program, your Committee has amended this bill by:

- (1) Encouraging DHS, through the Financial Assistance Advisory Committee, to work in collaboration with UH to establish policies that encourage the pursuit and successful completion of higher education for single parents and their children to achieve a stable future;
- (2) Deleting the requirement that DHS provide all TANF recipients who are not exempt from work requirements, the option of pursuing post-secondary education at the same time they are referred to the First-to-Work Program;
- (3) Changing the requirements for single parents to receive assistance under the Program;
- (4) Deleting provisions making Program participants eligible for child care, transportation assistance, and other support services;
- (5) Changing the criteria that count toward a recipient's work requirement;
- (6) Deleting the provision authorizing DHS to require additional or fewer hours of federally-defined work activities if DHS certifies that the State may not meet federal work participation rates after taking into account the caseload reduction credit;
- (7) Deleting the requirement that DHS ensure that its activities under the bill be consistent with specified principles and goals;
- (8) Making an appropriation for the Program, rather than expanding the Internship and Work Study Program to meet TANF program work requirements;
- (9) Changing the appropriation amount to \$1 to facilitate further discussion;
- (10) Requiring UH to submit a report to the Legislature on the expenditure of funds for the Program; and

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3123, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3123, S.D. 2, H.D. 2.

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

**SCRep. 1412-00 Finance on S.B. No. 211**

The purpose of this bill is to help retirees living on a fixed income cope with the rising cost of living in Hawaii by extending the Employees' Retirement System's pensioners' bonus provided in Act 339, Session Laws of Hawaii 1990, from July 1, 1999, to July 1, 2001.

Your Committee heard this measure during the Regular Session of 1999 and recommended that it be deferred, as the substance of this measure was found in H.B. No. 98, H.D. 1, S.D. 1. While H.B. No. 98, H.D. 1, S.D. 1, passed the Legislature, it was vetoed by the Governor.

To address the Governor's concerns expressed in Governor's Message No. 234, your Committee has amended this measure, which has been carried over to the Regular Session of 2000, by increasing the amount of the special cost of living bonus received by retirants or pensioners having five or more years of service.

Specifically, this measure has been amended by deleting its substance and inserting the following provisions:

- (1) Cost of living bonuses effective July 1, 1990, and each July 1st until June 30, 1999, shall be a cumulative amount to include all previous bonuses, and shall not exceed:
  - (A) \$1.25 for each year of credited service if the retirant or pensioner has been retired a minimum of five years by July 2nd in the year in which the bonus is effective;
  - (B) \$2.50 for each year of credited service if the retirant or pensioner has been retired a minimum of ten years by July 2nd in the year in which the bonus is effective;
  - (C) \$4.50 for each year of credited service if the retirant or pensioner has been retired a minimum of 15 years by July 2nd in the year in which the bonus is effective;
  - (D) \$6.00 for each year of credited service if the retirant or pensioner has been retired a minimum of 20 years by July 1st in the year in which the bonus is effective;
  - (E) \$8.75 for each year of credited service if the retirant or pensioner has been retired a minimum of 25 years by July 1st in the year in which the bonus is effective;
  - (F) \$10.50 for each year of credited service if the retirant or pensioner has been retired a minimum of 30 years by July 1st in the year in which the bonus is effective; and
  - (G) \$1.25 for each year of credited service if the retirant or pensioner with ten years or more of service who, on July 1st of the year in which the bonus is being calculated, has been retired a minimum of 20 years and whose current bonus amount exceeds the maximum specified;
- (2) Cost of living bonuses effective July 1, 2000, and each July 1st until June 30, 2000, shall be a cumulative amount to include all previous bonuses, and shall not exceed:
  - (A) \$6.00 for each year of credited service if the retirant or pensioner has been retired a minimum of 20 years by July 1st in the year in which the bonus is effective;
  - (B) \$8.75 for each year of credited service if the retirant or pensioner has been retired a minimum of 25 years by July 1st in the year in which the bonus is effective;
  - (C) \$10.50 for each year of credited service if the retirant or pensioner has been retired a minimum of 30 years by July 1st in the year in which the bonus is effective; and
  - (D) \$1.25 for each year of credited service if the retirant or pensioner with ten years or more of service who, on July 1st of the year in which the bonus is being calculated, has been retired a minimum of 20 years and whose current bonus amount exceeds the maximum specified;
- (3) If the retirant or pensioner had retired, returned to service, and again retired, the latest retirement date shall be considered as the date of the retirement; and

- (4) The bill will take effect on July 1, 2000, and be repealed on June 30, 2002.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 211, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 211, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1413-00 Finance on S.B. No. 2061**

The purpose of this bill is to eliminate gender-based pay discrimination by:

- (1) Establishing a mandatory reporting and recordkeeping system of employment statistics pertaining to all permanent, full-time civil service employees; and
- (2) Implementing a pilot fair pay project for civil service employees.

Hawaii Women Lawyers and two individuals testified in support of this measure. The Hawaii State Commission on the Status of Women and the Hawaii Civil Rights Commission testified in support of the intent of the measure. Comments were submitted by the Department of Human Resources Development (DHRD).

Your Committee has amended this bill by deleting its contents and inserting the substantive provisions of S.B. No. 2061, S.D. 1, which assesses gender-based pay discrimination among state employees and takes steps to eliminate such discrimination, by:

- (1) Requiring the Director of Human Resources Development to make and retain records to ascertain the existence of any discrimination in the wages paid to men and women for the same or equivalent jobs; and
- (2) Establishing a pay equity task force to:
  - (a) Review any relevant information; and
  - (b) Make recommendations to the Legislature for funds and specific actions to correct any gender-based pay inequities.

It is your Committee's understanding that the amended bill reflects a mutual agreement reached by the parties affected by this bill. Your Committee notes that the affected parties resolved their differences by agreeing to:

- (1) Create an unpaid task force that would, among other things, review a prior consultant study done in 1995; and
- (2) Commence a pay equity review of state positions.

Your Committee further notes that the bill requires DHRD to retain records of positions, wages, and demographic characteristics to determine whether there are unequal wages for men and women performing the same type of jobs.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2061, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2061, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1414-00 Finance on S.B. No. 2108**

The purpose of this bill is to require the Legislative Auditor to initiate and coordinate an inventory of lands within the public land trust (Trust) by:

- (1) Facilitating the identification of lands within the trust, including their assets and natural resources; and
- (2) Working with the Department of Land and Natural Resources (DLNR), the Office of Hawaiian Affairs (OHA), and other state agencies in completing a comprehensive inventory and mapping database of all lands within the Trust.

OHA testified in support of this measure and commented positively on the ongoing discussions with the Auditor and legislators. DLNR submitted comments.

Delayed for years, your Committee finds that work on a comprehensive and accurate inventory must begin immediately to ensure that:

- (1) The State meets its fiduciary responsibility as the trustee of the Trust; and

- (2) The obligations under section 5(f) of the Admission Act are fulfilled.

Your Committee has amended this measure by deleting its substance and inserting language directing the Auditor to:

- (1) Establish a comprehensive Trust inventory of all lands within section 5(f) of the Admission Act, which will identify all lands of the Trust and document title history for those parcels alienated or acquired since Statehood in 1959;
- (2) Facilitate the establishment of a Trust information system consisting of the Trust inventory and detail information about each of the parcels; and
- (3) Consult with OHA on:
  - (a) Developing recommendations to the Legislature;
  - (b) Specifications for obtaining contractors' services; and
  - (c) Executing all other responsibilities imposed by this measure.

Your Committee is aware that with varying degrees of accuracy, comprehensiveness, and detail, inventories of the Trust lands are currently available at and used by DLNR, OHA, the Department of Hawaiian Home Lands, the Airports and Harbors Division of the Department of Transportation, and other federal, state, and county agencies.

As such, your Committee has further amended this measure by directing the Auditor to prescribe the approach or detailed directions for consolidating and developing the Trust inventory and Trust information system without duplicating past efforts.

Your Committee notes that the narrowed scope of the inventory is attributed in part to current fiscal constraints, and that an incremental, manageable approach will ensure a more timely completion in planned stages. The inventory is not intended to preclude subsequent legislative actions to obtain information relating to:

- (1) Inventory of public lands prior to 1959;
- (2) Modernization of public lands;
- (3) Revenues generated from public lands; and
- (4) Whether lease rents are being set at appropriate levels.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2108, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2108, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1415-00 Finance on S.B. No. 2536**

The purpose of this bill is to facilitate modern portfolio theory of investing as it applies to trusts and estates by:

- (1) Repealing the existing Uniform Principal and Income Act, chapter 557, Hawaii Revised Statutes (HRS); and
- (2) Adopting in its place the revised Uniform Principal and Income Act.

Pacific Century Trust, Central Pacific Bank, Hawaii's Commission to Promote Uniform Legislation, and the Hawaii Society of Certified Public Accountants testified in support of this measure.

Your Committee has amended this measure by:

- (1) Providing that a trustee may not make an adjustment from any amount that is permanently set aside for charitable purposes under a will or the terms of a trust, unless the trustee is holding institutional funds exclusively for the benefit of a community foundation, and section 517D-4, HRS, applies; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2536, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2536, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Catalani, Kanoho, Luke and Moses.



**SCRep. 1416-00 Finance on S.B. No. 2575**

The purpose of this bill is to establish the University of Hawaii (UH) Facilities Improvements Special Fund to be used for the repairs and maintenance of UH facilities.

UH and the Hawaii Association of Realtors supported this bill. The Department of Budget and Finance supported the intent of this bill. Tax Foundation of Hawaii commented on this bill.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2575, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2575, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Catalani.  
(Representative Meyer voted no).

**SCRep. 1417-00 Finance on S.B. No. 2657**

The purpose of this measure is to require all group accident and sickness health care policies providing health care coverage, and all group health care contracts issued by health maintenance organizations and mutual benefit societies to cover outpatient diabetes self-management training, education, equipment, and supplies, if it is found to be medically necessary and prescribed by an authorized health care professional.

Diabetes has seriously affected the population of Hawaii. Approximately ninety thousand people living in Hawaii have diabetes. Native Hawaiians and Asians experience a risk of developing diabetes that is twice that of the general U.S. population. From 1989 through 1991, native Hawaiians, compared to other racial groups in the State, experienced the highest mortality rate due to diabetes and its complications.

Your Committee believes that it is critical that people afflicted with diabetes be given the necessary support and access to obtain self-management training, education, equipment, and supplies. Your Committee further believes that taking action to prevent complications associated with this disease will reduce future health care costs.

The Department of Health, the Hawaii Medical Service Association, and many concerned individuals supported this measure. The Hawaii Association of Diabetes Educators, the Diabetes Advocacy Alliance of Hawaii, and the American Diabetes Association supported the intent of this measure with amendments.

The Legislative Information Services of Hawaii and Kaiser Permanente opposed this measure.

Your Committee has amended this measure by:

- (1) Requesting that each insurer, health maintenance organization, and mutual benefit society conduct a study evaluating the effectiveness, cost savings (if any), and quality of care provided by their respective diabetes coverage and report back to the 2003 Legislature;
- (2) Changing the effective date from January 1, 2002, to July 1, 2001; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2657, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2657, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1418-00 Finance on S.B. No. 2729**

The purpose of this bill is to protect service contract holders in the State by creating a regulatory framework governing the sale, terms, and administration of service contracts sold to consumers.

The Service Contract Industry Council supported this bill. The Department of Commerce and Consumer Affairs and the Office of Consumer Protection testified in support of the intent of the measure. The Insurance Commissioner and the Hawaii Automobile Dealers' Association submitted comments on the measure.

Your Committee has amended this bill by:

- (1) Deleting the provision that exempts service contract sellers, administrators, and other persons marketing, selling, or offering to sell service contract from any state licensing requirements, except for the registration required of providers; and
- (2) Making technical, nonsubstantive amendments for consistency and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2729, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2729, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1419-00 Finance on S.B. No. 2988**

The purpose of this bill is to ensure prompt payment by contractors to subcontractors working on state projects by:

- (1) Specifying that subcontractors provide evidence to contractors of a valid union trust fund contribution bond, a performance/payment bond, other bond, or another mutually agreeable form of collateral;
- (2) Imposing penalties on contractors for failing to properly pay amounts owed to subcontractors; and
- (3) Requiring the Procurement Policy Board to adopt rules on prompt payment and retainage.

The Building Industry Association of Hawaii, the Hawaii Construction Industry Association, the Plumbing & Mechanical Contractors Association of Hawaii, the Subcontractors' Association of Hawaii, the Construction Industry Legislative Organization, Inc., and the General Contractors Association of Hawaii supported the bill.

The Department of Accounting and General Services testified in support of the intent of the bill.

The State Procurement Office commented on the bill.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2988, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2988, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1420-00 Finance on S.B. No. 3160**

The purpose of this bill is to streamline and simplify owner-occupant sales requirements for condominium apartments under the Condominium Property Regimes Law.

The Real Estate Commission, Land Use Research Foundation of Hawaii, and Gentry Homes, Ltd. testified in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3160, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3160, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1421-00 Finance on S.B. No. 851**

The purpose of this bill, as received by your Committee, is to encourage the use of hospice care and to ensure consistent, high-quality hospice care by:

- (1) Authorizing the Department of Health (DOH) to license hospice service agencies; and
- (2) Permitting hospice homes in residential areas for purposes of zoning.

Your Committee heard this measure during the 1999 Regular Session and recommended that it be deferred. Subsequently, this measure was carried over to the 2000 Regular Session.

Your Committee circulated a proposed H.D. 2 version of this bill for purposes of discussion and public hearing. The purpose of the proposed H.D. 2 version is to increase the number of licensed nurses in the State by reestablishing the Operation Nightingale Program (Program) in DOH. The Program will offer review and training courses to enable graduates of nursing schools to pass the written examination required by the State Board of Nursing.

The Hawaii Nurses' Association, the Filipino Nurses Association, and an individual testified in support of the proposed draft.

Upon further consideration, your Committee has amended this measure by deleting its substance and incorporating the amendments made in the proposed H.D. 2 version. Additional technical, nonsubstantive amendments were also made for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 851, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 851, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1422-00 Finance on S.B. No. 873**

The purpose of this bill is to:

- (1) Provide that during lease renegotiations for private lands, fair market value, if less than the current rent amount as determined through appraisal, shall prevail over any contract provision that bars the lowering of rent;
- (2) Provide that any reduction in rent in the lease between a fee simple landowner and a sublessor shall result in a corresponding reduction in rent between the sublessor and the sublessee; and
- (3) Establish State income tax and general excise tax credits for fee simple landowners in the amount of the reduction in rent.

Hawaii Council of Associations of Apartment Owners and several individuals supported this bill.

The Tax Foundation of Hawaii, Wholesale Motors, Inc., and an individual commented on this bill. Public Interest Policy and Economic Research Institute, Inc. submitted a proposed amended draft of this bill.

The Department of Taxation, Land Use Research Foundation of Hawaii, Estate of James Campbell, Castle and Cooke Properties, Inc., Hawaii Association of Realtors, Queen Emma Foundation, Gentry-Pacific, Ltd., A&B Properties, Inc., and two individuals opposed this bill.

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

- (1) Deleting the requirement that any reduction in a sublessor's rent shall result in a corresponding reduction in rent between the sublessor and the sublessee;
- (2) Deleting the income and excise tax credits for fee-simple landowners;
- (3) Requiring that disputes as to fair market value between a fee simple landowner and a lessee that occur during lease renegotiations be determined by appraisal and not by arbitration;
- (4) Making the bill take effect upon approval; and
- (5) Making other technical, nonsubstantive amendments for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 873, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 873, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Schatz.  
(Representatives Espero, Kahikina, Kanoho and Moses voted no).

**SCRep. 1423-00 Finance on S.B. No. 2166**

The purpose of this measure is to assist electricity producing wind farms by:

- (1) Allowing these farms to benefit from the state's enterprise zone program; and
- (2) Exempting the sale of electric power produced from wind energy to a public utility for resale to the public from the general excise and use tax.

Testimony in support of the measure was received by the Department of Economic Development and Tourism and Apollo Energy Corporation. The Department of Taxation opposed this measure.

Your Committee finds that there is a need for the promotion of alternative, renewable energy resources. However, the sale of electric power produced by a wind farm to a public utility for resale to the public already qualifies for a 0.5 percent general excise tax rate.

Your Committee has amended this measure by deleting the general excise and use tax exemption.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2166, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2166, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1424-00 Finance on S.B. No. 2303**

The purpose of this bill is to support the growing cruise ship industry by allocating a portion of Public Service Company (PSC) tax revenues to the Harbor Special Fund and the Boating Special Fund for the construction and improvement of cruise ship facilities in the State.

The Mayor of Maui County, the Hawaii State Association of Counties, the Maui County Council, the Maritime Committee of the Chamber of Commerce of Hawaii, Hawaii Stevedores, Paradise Cruise, Ltd., American Hawaii Cruises, United States Lines, American Classic Voyages Co., Matson Navigation Company, CSX Lines, Aloha Tower Marketplace, Retail Merchants of Hawaii, the Big Island Business Council, and the Hawaii Boaters Political Action Association testified in support of this measure.

The Departments of Transportation and Land and Natural Resources (DLNR) and the Visitor Industry Coalition testified in support of the intent of this measure.

The Department of Budget and Finance and the Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Changing the allocation of PSC taxes so that all revenues, instead of the first \$3,000,000, will be deposited into the general fund, except those deposited into the Harbor and Boating Special Funds;
- (2) Changing the amount of PSC tax revenues to be deposited into the Harbor Special Fund as follows:
  - (A) For fiscal year 2001: \$175,000;
  - (B) For fiscal year 2002: \$450,000;
  - (C) For fiscal year 2003: \$600,000;
  - (D) For fiscal year 2004: \$750,000;
  - (E) For fiscal year 2005: \$900,000;
  - (F) For fiscal year 2006: \$1,100,000;
  - (G) For fiscal year 2007: \$3,000,000; and
  - (H) For fiscal years 2008 through 2025: \$2,900,000 in each year;
- (3) Changing the amount of PSC tax revenues to be deposited into the Boating Special Fund as follows:
  - (A) For fiscal year 2001: \$325,000;
  - (B) For fiscal year 2002: \$450,000;
  - (C) For fiscal year 2003: \$500,000;
  - (D) For fiscal year 2004: \$575,000;
  - (E) For fiscal year 2005: \$625,000;
  - (F) For fiscal year 2006: \$700,000;

- (G) For fiscal year 2007: 665,000;
  - (H) For fiscal years 2008 through 2020: \$620,000 in each year;
  - (I) For fiscal year 2021: \$370,000; and
  - (J) For fiscal year 2022: \$100,000;
- (4) Deleting provisions providing that if the maximum amount is reached for deposits to either the Harbor or Boating Special Funds, the full amount of the tax revenue from the gross income of contract carriers received from passenger ticket revenue from all vessels in service in Hawaii in any year in excess of \$3,000,000 will be deposited into the other special fund until the maximum amount for that special fund is reached;
  - (5) Deleting the provision that if the maximum amount is reached for deposits to both the Harbor and Boating Special Funds, any excess amounts from tax revenue, from the gross income of contract carriers received from passenger ticket revenue from all vessels in service in Hawaii in any year, will be deposited into the general fund; and
  - (6) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2303, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2303, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1425-00 Finance on S.B. No. 2354**

The purpose of this bill is to further public access to the legislative process by:

- (1) Appropriating funds for a legislative media streaming pilot project;
- (2) Appropriating funds for a second full-time staff person for the Public Access Room;
- (3) Appropriating funds for a child care pilot project; and
- (4) Transferring responsibility for the sale and distribution of the Hawaii Revised Statutes from the Office of the Lieutenant Governor to the Legislature.

Common Cause Hawaii, Information Services, Life of the Land, and several individuals supported this bill.

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

- (1) Leaving blank all appropriations to facilitate further discussion;
- (2) Changing the effective date to July 1, 2005; and
- (3) Making technical, nonsubstantive changes for purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2354, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2354, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1426-00 Finance on S.B. No. 2475**

The purpose of this bill is to promote gender equity in high school athletics.

The American Civil Liberties Union of Hawaii Foundation and the Hawaii State Teachers Association testified in support of the measure. The Department of Education and the Hawaii Civil Rights Commission testified in support of the intent of the bill. The Hawaii State Commission on the Status of Women testified in support of the bill with amendments.

Your Committee has amended this bill by:

- (1) Allowing the Superintendent of Education (Superintendent) and the Advisory Commission on Gender Equity in Sports (Commission) the discretion to consider factors which may constitute unequal aggregate expenditures;

- (2) Allowing the Superintendent to recommend rules for appropriate enforcement mechanisms to ensure equity; and
- (3) Allowing the Superintendent the discretion to submit a compliance report to the Legislature.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2475, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2475, S.D. 1, H.D. 3.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1427-00 Finance on S.B. No. 2706**

The purpose of this bill, which is applicable to offshore aircraft leasing companies, is to provide:

- (1) A general excise tax (GET) exemption for amounts received as rent for the leasing or rental of aircraft or aircraft engine used by lessees or renters for interstate air transportation of passengers and goods; and
- (2) A use tax exemption for the acquisition or importation of aircraft or aircraft engines by a lessee or renter engaged in interstate air transportation.

Supporting testimony was received from Hawaiian Airlines and Hawaiian Airlines Master Executive Council of the Air Line Pilots Association International. The Tax Foundation of Hawaii submitted comments on this measure. The Department of Taxation testified in opposition to this measure.

Your Committee has amended this bill by, among other things:

- (1) Giving a taxpayer the option of:
  - (a) Taking a GET exemption for amounts received as rent for the leasing or rental of aircraft or aircraft engine used by lessees or renters for interstate air transportation of passengers or goods; or
  - (b) Receiving an aircraft operating lease investment income tax credit, which shall be deductible from the net income tax liability of a lessee of an aircraft under an operating lease who is subject to the income tax;and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2706, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2706, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1428-00 Finance on S.B. No. 2879**

The purpose of this bill is to regulate the disposal of used motor vehicle tires by:

- (1) Requiring all facilities that accept used tires to maintain, for a minimum of three years, records on the entities from whom used tires are received and in the manner in which the used tires are disposed;
- (2) Requiring that all motor vehicle tire importers within the State register with the Department of Health (DOH);
- (3) Empowering the DOH to inspect facilities and to enforce the statutes governing recordkeeping and improper disposal of motor vehicle tires; and
- (4) Establishing a \$1 per tire surcharge on tires imported into the State, to be deposited into the Environmental Management Special Fund to be used to:
  - (a) Fund tire permitting, monitoring, and enforcement activities;
  - (b) Promote market development and reuse opportunities;
  - (c) Promote tire recovery, recycling, and reuse;
  - (d) Prevent illegal dumping; and
  - (e) Clean up improper tire disposal sites.

The Department of Health and the Hawaii Automotive Repair & Gasoline Dealers Association supported this measure. The Chamber of Commerce of Hawaii, the Legislative Information Services of Hawaii, and the Tax Foundation of Hawaii commented on this measure. The Hawaii Automobile Dealers' Association of Hawaii, the Goodyear Tire and Rubber Company, and Catrala-Hawaii opposed this measure.

Your Committee finds that environmental pollution by discarded motor vehicle tires is not only unsightly, but also poses a health risk. However, clean up of this problem is potentially costly and time consuming. Additionally, parties responsible for the pollution are often not found, leaving the State with no redress. Therefore, it is difficult to seek a proactive and equitable solution to this problem, which will only worsen over time.

Your Committee has amended this measure by replacing the current funding mechanism and associated recordkeeping requirement with a \$2 Environmental Clean Up Fee to be charged with annual motor vehicle registration. Your Committee feels that this mechanism will provide a stable source of funding, provided by those who use the tires which cause the pollution.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2879, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2879, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1429-00 Finance on S.B. No. 278**

The purpose of this bill is to change the composition of the Board of Directors (Board) of the Research Corporation of the University of Hawaii (RCUH) by:

- (1) Reducing the number of members from the University of Hawaii (UH) Board of Regents from five to two;
- (2) Adding two members who are either a UH dean or a vice president, who will be nominated by the UH President and selected by the Board of Regents to serve four-year terms; and
- (3) Adding two members who are UH faculty, who will be nominated by the UH President and selected by the Board of Regents to serve four-year terms.

UH and RCUH testified in support of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 278, S.D. 2, H.D. 1 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1430-00 Finance on S.B. No. 539**

The purpose of this bill is to propose an amendment to the Constitution of the State of Hawaii (Hawaii Constitution) granting autonomy to the University of Hawaii (UH) in matters involving the internal structure, management, and operation of UH.

UH, the UH Professional Assembly, the UH Alumni Association, the Hawaii Business Roundtable, and a member of the UH at Hilo Advisory Board testified in support of the measure. The United Public Workers, the Chamber of Commerce of Hawaii, and the Hawaii Government Employees Association testified in support of the intent of the measure. The Department of the Attorney General and the Office of Hawaiian Affairs testified in opposition to this measure. Comments were submitted by the Department of Budget and Finance and the Hawaii State Ethics Commission.

Providing sufficient authority and flexibility to the UH to set its own course is a laudable goal. However, your Committee is concerned that the proposed amendment to the Hawaii Constitution may be too broadly worded, leading to ambiguity and conflicting interpretation. Since the proposed amendment does not define the terms used, it is ambiguous and open to broad interpretation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 539, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1431-00 Finance on S.B. No. 887**

The purpose of this bill is to increase the number of judges in the Circuit Court of the Fifth Circuit, which serves the islands of Kauai and Niihau, from one judge to two judges.

The Judiciary and the Hawaii State Bar Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 887 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1432-00 Finance on S.B. No. 914**

The purpose of this bill is to specify that ballots cast include blank ballots and over votes in a question for a constitutional convention.

The Office of Elections testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 914 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.  
(Representatives Fox, Marumoto and Meyer voted no).

**SCRep. 1433-00 Finance on S.B. No. 2005**

The purpose of this bill is to stimulate tourism in East Hawaii by creating incentives for reinvestment in the resort and other infrastructure of the Banyan Drive resort area in Hilo, Hawaii.

Specifically, this bill authorizes the Department of Land and Natural Resources (DLNR) to issue new leases to existing lessees of the Banyan Drive resort area, subject to certain conditions.

DLNR, Chamber of Commerce of Hawaii, Hawaii Association of REALTORS, and Hawaii Nanioloa Hotel testified in support of this measure. The Office of Hawaiian Affairs testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2005 and recommends that it pass Third Reading.

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

**SCRep. 1434-00 Finance on S.B. No. 2021**

The purpose of this bill is to provide low-income tenants who live in housing projects subsidized under the U.S. Department of Housing and Urban Development (HUD) Section 8 program (Section 8) with some assurance that affordable housing will continue to be available, by requiring:

- (1) Section 8 housing owners to provide the Housing and Community Development Corporation of Hawaii (HCDCH) with all HUD documents regarding the owner's intention to opt out of the Section 8 contract, as well as pertinent project and market information;
- (2) HCDCH to:
  - (A) Collaborate with HUD to encourage the owner to preserve the affordability of the project; and
  - (B) Encourage the owner to give the tenant association an opportunity to purchase the project, and provide the owner with:
    - (i) Information on government assisted financing programs; and
    - (ii) A list of nonprofit organizations that may be interested in acquiring the assisted housing development.

The bill also requires that entities receiving state assistance would be required to maintain the affordability of the project for a specified time and target households with income ranges approximating those of tenants occupying the project when the owner gave notice of intent to opt out of Section 8.

Testimony in support of this measure was received from HCDCH, Affordable Housing and Homeless Alliance, Salvation Army Family Services Office, Honolulu Community Action Program, Inc., Catholic Charities, American Association of Retired Persons, and Welfare and Employment Rights Coalition.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2021, S.D. 2, H.D. 1, and recommends that it pass Third Reading.



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

**SCRep. 1435-00 Finance on S.B. No. 2056**

The purpose of this bill is to encourage participation in Individual Development Accounts (IDA), which is a special savings account program to assist low-income persons accumulate assets, obtain education, and promote micro-enterprise development, among other things, by:

- (1) Establishing a nonrefundable income tax credit of fifty percent of the amount contributed by individuals, organizations, and businesses to a fiduciary holding an IDA;
- (2) Specifying that the tax credit is available for a five-year period, beginning the taxable year after December 31, 1999, until December 31, 2004;
- (3) Prohibiting the use of this tax credit for the portion of the contribution for which a charitable deduction was taken;
- (4) Requiring the Department of Human Services to certify all IDA tax credit claims; and
- (5) Limiting the aggregate amount of the tax credits to \$1,000,000.

The Department of Human Services, the Department of Taxation, the Office of Hawaiian Affairs, Hawaii State Commission on the Status of Women, and the American Friends Service Committee supported this bill. Hawaii Alliance for Community Based Economic Development supported this bill with a proposed amendment. The Tax Foundation of Hawaii commented on this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2056, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1436-00 Finance on S.B. No. 2152**

The purpose of this bill is to ensure meaningful and effective control over the movement of offenders between states by authorizing Hawaii's participation in the Interstate Compact for the Supervision of Adult Offenders.

The Department of the Prosecuting Attorney of the City and County of Honolulu testified in support of this measure. The Judiciary testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2152, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1437-00 Finance on S.B. No. 2160**

The purpose of this bill is to provide tax relief for the construction industry by allowing contractor-taxpayers to pay the general excise tax (GET) on a cash basis, provided that the contractor-taxpayer notifies the Department of Taxation (DOTAX) of the basis upon which the GET is to be reported.

Currently, many contractors use an accrual basis accounting system. The problem is that under this system, the contractor must pay the GET on sales that it accrues even if the contractor has not yet been paid. As a result, the contractor is asked to "front" the tax payment while waiting for payment from the customer.

Testifying in support of this bill were the Construction Industry Legislative Organization, the Hawaii Construction Industry Association, the Building Industry Association of Hawaii, the Subcontractors' Association of Hawaii, the General Contractors Association of Hawaii, the Plumbing and Mechanical Contractors Association of Hawaii, and Hidano Construction, Inc. The Tax Foundation of Hawaii offered comments. DOTAX also offered comments, testifying that it is not opposed to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2160, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1438-00 Finance on S.B. No. 2287**

The purpose of this bill is to provide a mechanism to resolve the problem of equitably distributing the costs of undergrounding utility lines, while retaining the flexibility needed to address county and community interests.

This bill enables a county to initiate projects to underground utility lines and related facilities, subject to the approval of the Public Utilities Commission (PUC). Upon approval of an undergrounding project, the cost of paying for the project shall be divided as follows:

- (1) One-third by the community;
- (2) One-third by the county, which may choose to pay more than its share; and
- (3) One-third by the owner of the utility lines and related facilities subject to the undergrounding of the project.

In addition, this bill authorizes the counties to:

- (1) Establish special funds into which shall be deposited voluntary contributions and other funds to be used for an undergrounding projects;
- (2) Establish community accounts into which shall be deposited community donations to be used to pay for the community's share of an undergrounding project;
- (3) Issue general obligations bonds to finance undergrounding projects; and
- (4) Use a portion of the franchise fees received from any utility company for undergrounding projects.

Hawaiian Electric Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric Company, and Malama O Manoa testified in support of this bill. PUC, the Division of Consumer Advocacy, and Kauai Electric supported the intent of this bill. GTE offered comments on this bill.

Your Committee recognizes that underground utility lines have significant aesthetic and safety advantages over above ground utility lines. However, your Committee has concerns regarding the cost-sharing mechanism proposed in this measure.

More affluent communities, which are more able to pay for their share of undergrounding, will be more likely to choose undergrounding. While the community's portion of the cost will be borne by those individuals residing in the community, the utility company's share will be borne by all ratepayers. Similarly, the county's share will be borne by all county citizens. This may result in less-affluent communities paying a share for the undergrounding of utility lines in more affluent neighborhoods.

Your Committee, therefore, urges that counties, utility companies, and communities evaluate and seek alternative funding mechanisms and cost-sharing methods for the purpose of undergrounding utility lines that would be more equitable for all citizens.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2287, S.D. 1, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1439-00 Finance on S.B. No. 2289**

The purpose of this bill is to:

- (1) Subject prepaid telephone services to the use tax by defining these services as "property" for purposes of the use tax;
- (2) Clarify that prepaid telephone calling services are taxable under the general excise tax in lieu of the public service company tax;
- (3) Clarify that if the sale or recharge of a prepaid telephone calling service does not occur at the vendor's place of business, it has occurred at the customer's shipping or billing address;
- (4) Clarify that when prepaid telephone calling services are sold to a licensed retail merchant, jobber, or other licensed seller for resale, the licensed seller will be taxed as a wholesaler selling tangible personal property.

The Department of Taxation, AT&T, and GTE testified in support of this measure. The Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2289, S.D. 2, and recommends that it pass Third Reading.

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

**SCRep. 1440-00 Finance on S.B. No. 2301**

The purpose of this bill is to:

- (1) Specify that Piers 1 and 2 and certain contiguous state-owned lands shall be limited to maritime use;
- (2) Increase the Department of Transportation's powers and duties to include control over maritime lands; and
- (3) Define "maritime lands" to include, with specific exceptions, any public lands required for commercial and industrial activities that are dependent on being adjacent to the harbor.

Your Committee circulated a proposed H.D. 2 version of this bill for purposes of discussion and public hearing. The proposed H.D. 2 version included a part II that:

- (1) Authorizes the Board of Land and Natural Resources to lease by public auction Ala Wai and Keehi small boat harbors for redevelopment, management, and operations by private firms for a lease term not in excess of 55 years;
- (2) Clarifies that leases issued for Ala Wai and Keehi small boat harbors may include uses, other than maritime related activities, that complement or support the purposes of the lease;
- (3) Clarifies that the revenue due the State from these leases shall be deposited into the Boating Special Fund;
- (4) Provides for an orderly transition from state operation, management, and control to private management and operation; and
- (5) Provides for an ad hoc panel of interested parties to assist with the development of a master plan for redevelopment of Ala Wai Harbor.

The City and County of Honolulu and the Department of Planning and Permitting testified in support of the proposed draft.

The Department of Land and Natural Resources (DLNR), Hawaii Community Development Authority, the Maritime Committee of the Chamber of Commerce of Hawaii, CSX Lines, Hawaii Boaters Political Action Association, and several individuals offered comments.

The Office of Hawaiian Affairs, Hawaii Government Employees Association, Hawaii Coalition Against Legalized Gambling, Advocates for Consumer Rights, Hawaii's Thousand Friends, Ilikai Marina, Na Ohana O Na Hui Wa'a Association, Waikiki Beach Kupuna Catamaran Association, Boats/Hawaii, Hawaiian Canoe Racing Association, Oahu Hawaiian Canoe Racing Association, Na Wahine O Ke Kai, and many individuals testified in opposition to this proposed draft.

Your Committee finds that there has been a desire and effort to privatize the management of Hawaii's harbors. Accordingly, your Committee greatly appreciates the effort made by DLNR in putting forth a viable system for the issuance of requests for proposals necessary to realize the goal of privatization.

Upon further consideration and discussion, however, your Committee has elected not to pass the proposed H.D. 2 version of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2301, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1441-00 Finance on S.B. No. 2426**

The purpose of this bill is to provide the statutory authority to:

- (1) Allow compensation for mental health services for a relative of a deceased victim in a mass casualty incident, witness to a mass casualty incident, or an individual engaged in business or educational activities at the scene of a mass casualty incident; and
- (2) Authorize compensation for mental health service expenses incurred from a mass casualty incident.

The Crime Victim Compensation Commission and the Department of the Prosecuting Attorney of the City and County of Honolulu testified in support of the measure. The Department of Health testified in support of the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2426, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kahikina, Luke and Moses.

**SCRep. 1442-00 Finance on S.B. No. 2427**

The purpose of this bill is to clarify the funding for the Crime Victim Compensation Commission (CVCC) by:

- (1) Appropriating an unspecified sum to compensate crime victims; and
- (2) Setting a ten percent cap on the amount of revenues from the Crime Victim Compensation Special Fund that can be used for payroll and operating expenses.

CVCC, the City and County of Honolulu Department of the Prosecuting Attorney, the County of Kauai Office of the Prosecuting Attorney, the County of Hawaii Office of the Prosecuting Attorney, the County of Maui Victim/Witness Assistance Division, Child and Family Service, the Sex Abuse Treatment Center, and one individual supported the intent of this measure. Four individuals offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2427, S.D. 1, H.D. 1 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1443-00 Finance on S.B. No. 2432**

The purpose of this bill is to more efficiently manage criminal justice and correctional resources by:

- (1) Requiring the Department of Public Safety (DPS) to establish a sentencing simulation model that includes:
  - (a) A centralized computer-based criminal defendant population database (database);
  - (b) A computerized network for maintaining the database; and
  - (c) Computer modeling techniques that use information in the database to project the impact of different sentencing policies and proposals on future criminal justice and corrections populations and resources;

and
- (2) Appropriating funds to develop, implement, and maintain a sentencing simulation model, provided that state funds are matched by federal funds from the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Grant Program.

DPS, the Department of the Attorney General, the Honolulu Police Department, the Department of the Prosecuting Attorney of the City and County of Honolulu, the Office of the Public Defender, Government Efficiency Teams, Inc., TJ Mahoney & Associates, and the Community Alliance on Prisons testified in support of this measure. The Judiciary and the Hawaii Paroling Authority testified in support of the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2432, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Catalani, Kanoho, Luke and Moses.

**SCRep. 1444-00 Finance on S.B. No. 2482**

The purpose of this bill is to support the development of the biotechnology industry in Hawaii by:

- (1) Allowing biotechnology companies to sell their unused net operating loss carryover and unused tax credits to other qualified biotechnology companies;
- (2) Extending the capital loss carryforward to fifteen years for biotechnology companies;
- (3) Strengthening the high technology business incentives provided in Act 178, Session Laws of Hawaii 1999, for high technology business;
- (4) Inserting the amounts of \$1 with regard to the limit of the net operating loss carryovers and tax credits that a qualified biotechnology company may sell; and
- (5) Changing the applicability of the bill to taxable years beginning after December 31, 2010.

The Department of Business, Economic Development, and Tourism testified in support of the intent of the measure. The Department of Taxation testified in support of the administration sponsored provisions of the bill relating to performing arts, trade secrets, allocation of partnership credits and research and development credits. The Tax Foundation of Hawaii and a concerned individual commented on the measure.

Your Committee finds that high technology businesses targeted by the tax provisions of this measure are those that engage in activities that advance the state of the art in this industry. These activities include computer software design and development, which involve the delivery of full lifecycle software development projects (from analysis through implementation, or subcontracted services thereunder), and using fourth-generation software development tools or native programming languages to design and construct unique and specific code to create applications and design databases for sale or license.

Software programming intended to qualify under this measure includes innovative technology applications such as:

- (1) Palm top-based application to collect data during field inspections;
- (2) Web-based client data collections system;
- (3) Health plan web-based interface application;
- (4) Entertainment applications such as computer-based games and digital media;
- (5) Interactive web-based products and services;
- (6) Large scale relational databases;
- (7) Web-based stock exchange; and
- (8) Creation of development tools.

Examples of activities that would not qualify under this standard include computer repair, "break and fix" services, and configuration of off-the-shelf software.

Your Committee notes the following possible definition for "qualified research" should be considered by the conference committee appointed to this measure:

"Qualified research" means:

- (1) The same as in section 41(d) of the Internal Revenue Code; or
- (2) Delivering full lifecycle software development projects using fourth-generation software development tools or native programming languages to design and construct unique and specific code to create applications and design databases for sale or license.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2482, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1445-00 Finance on S.B. No. 2484**

The purpose of this bill is to improve the functions of the Medicaid Fraud Unit (Unit) of the Attorney General's Office by:

- (1) Clarifying that the Unit enforce fraud cases involving Medicaid;
- (2) Allowing the Unit to review and take action on complaints involving facilities set out in Title 42 United States Code Section 1396 et seq.; and
- (3) Requiring that funds recovered from Medicaid fraud judgments be placed in the Medicaid Investigations Recovery Fund.

The Department of the Attorney General testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2484, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Ahu Isa, Catalani, Kanoho, Luke and Moses.

**SCRep. 1446-00 Finance on S.B. No. 2490**

The purpose of this bill is to improve the long-term residential care regulatory environment by:

- (1) Establishing an information and referral system to assist the elderly, the non-elderly, and disabled persons to easily access the long-term care residential care system;
- (2) Requiring the Subcommittee on Residential Care of the Joint Legislative Committee on Long-Term Care to conduct a study on reorganizing all adult residential care homes and facilities into a new "adult residential care facilities" category; and
- (3) Appropriating an unspecified amount to the Department of Health to:
  - (A) Augment the Executive Office on Aging's (EOA) Aging Network for initial information and referral screening;
  - (B) Expand EOA's screening and referral program to coordinate similar services for clients under age sixty;
  - (C) Fund a subcontract by EOA to provide these services for clients under age sixty; and
  - (D) Fund one-time start-up costs and annual operating costs.

EOA and the American Association of Retired Persons testified in support of this measure. The Department of Human Services and the State Planning Council on Developmental Disabilities testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2490, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1447-00 Finance on S.B. No. 2493**

The purpose of this bill is to appropriate funds to be expended by the Department of Health for substance abuse treatment services for pregnant women, teenagers, and families involved with child protective services who have children under five years of age, provided that the funds are matched by private or federal sources.

The Department of Human Services, Hawaii Substance Abuse Coalition, and a concerned citizen provided testimony in support of this bill. The Department of Health and the Judiciary supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2493, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1448-00 Finance on S.B. No. 2513**

The purpose of this bill is to enhance private sector participation in the protection and management of conservation lands by allowing conveyance tax revenues deposited into the Natural Area Reserve Fund to be used for watershed management projects.

The Nature Conservancy of Hawaii, the Department of Land and Natural Resources supported this bill. The Hawaii Chapter of the Sierra Club and the Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2513, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1449-00 Finance on S.B. No. 2545**

The purpose of this bill is to improve compliance with, and enforcement of, the Glass Advance Disposal Fee Program by:

- (1) Making all glass container importers subject to recordkeeping requirements and inspection by the Department of Health (DOH), regardless of their registration with DOH;
- (2) Defining "import" in the Glass Container Recovery Law (Law); and
- (3) Making violations of the Law subject to administrative, rather than civil, penalties.

DOH and the Legislative Information Services of Hawaii testified in support of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2545, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ahu Isa.

**SCRep. 1450-00 Finance on S.B. No. 2576**

The purpose of this bill is:

- (1) To increase the membership of the Housing and Community Development Corporation of Hawaii (HCDCH) board by adding two additional public members; and
- (2) To comply with the federal Quality Housing and Work Responsibility Act (QHWRA) by:
  - (A) Requiring that one of the public members of the HCDCH board must be a person who receives specified federal housing assistance; and
  - (B) Establishing a Resident Advisory Board to advise HCDCH on public housing issues and QHWRA compliance.

The bill also provides that the Resident Advisory Board must recommend to the Governor, the names of the two public members receiving federal and state housing assistance that are included on the board by this bill.

Catholic Charities Elderly Services, Honolulu Community Action Program, Inc., the Salvation Army Family Services Office, and Welfare & Employment Rights Coalition, testified in support of this bill. The Affordable Housing and Homeless Alliance supported this bill, in part. HCDCH testified in support of this bill with amendments. The Office of the Governor supported this bill but expressed concerns.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2576, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1451-00 Finance on S.B. No. 2598**

The purpose of this bill is to support the development and availability of rental housing for persons with low and very low incomes, and special housing needs, by authorizing the issuance of general obligation bonds for fiscal year 2000-2001, and appropriating the corresponding funds into the Rental Housing Trust Fund.

Testimony in support of this bill was received from the Governor's Office, Hawaii Investors for Affordable Housing, Inc., Affordable Housing and Homeless Alliance, Welfare and Employment Rights Coalition, Catholic Charities, Honolulu Community Action Program, Inc., American Association of Retired Persons, and Salvation Army Family Services Office. The Housing and Community Development Corporation of Hawaii supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2598, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1452-00 Finance on S.B. No. 2655**

The purpose of this bill is to strengthen the Patient's Bill of Rights Law which provides protection to consumers receiving health care under managed care plans by:

- (1) Clarifying enrollee rights during the internal appeal process and external review process;
- (2) Enlarging the Hawaii Patient Rights and Responsibilities Task Force (Task Force) membership from 20 to 25; and
- (3) Establishing a statutory definition for "medical necessity to promote uniformity among various health care plans and to serve as the standard of review governing a health plan's internal appeal process and external review process."

The Department of Health, Task Force, Hawaii Government Employees Association, Kaiser Permanente, Hawaii State Legislative Committee of the American Association of Retired Persons, Hawaii Coalition for Health, and a concerned individual testified in support of this bill. The Hawaii Nurses' Association supported the intent of this bill. The Hawaii Medical Association, Kokua Council, Hawaii Psychological Association, and the Hawaii Chapter of the American Academy of Pediatrics offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2655, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1453-00 Finance on S.B. No. 2742**

The purpose of this bill is to eliminate the labeling requirement imposed on retailers that pork produced in the State be labelled as "island produced pork" by repealing part III of chapter 148, Hawaii Revised Statutes.

The Department of Agriculture testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2742 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1454-00 Finance on S.B. No. 2785**

The purpose of this bill is to expedite the funding of claims filed for the return of abandoned property to their rightful owners by establishing the Unclaimed Property Trust Fund (Trust Fund). Proceeds from the sale of unclaimed property would be deposited into the Trust Fund.

The Department of Budget and Finance testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2785, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1455-00 Finance on S.B. No. 2838**

The purpose of this bill is to establish, on a special and temporary basis, the Access Hawaii Committee (Committee) to provide oversight of the Internet portal manager (portal manager) by:

- (1) Reviewing the annual strategic plan and periodic reports submitted by the portal manager;
- (2) Reviewing and approving all charges to be assessed to portal users;
- (3) Reviewing and approving service level agreements negotiated between government agencies and the portal manager;
- (4) Reviewing annual financial reports and audits of the portal manager;
- (5) Reviewing annual customer satisfaction surveys conducted by the portal manager; and
- (6) Reviewing the performance measures of the Internet portal.

This measure also allows the charging of fees for value added electronic services that will be collected by the portal manager.

The Governor's Special Assistant for Technology Development, the Department of Commerce and Consumer Affairs, the Department of Accounting and General Services, the Office of Information Practices, and the Hawaii State Public Library System supported this bill. The Judiciary and the High Technology Development Corporation supported the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2838, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1456-00 Finance on S.B. No. 2850**

The purpose of this bill is to enable children to remain safely and permanently with their relatives when the children cannot return to their homes by establishing kinship care.

Specifically, this bill:

- (1) Requires the Department of Human Services (DHS) to adopt rules relating to kinship care;
- (2) Defines "kinship care" as the placement with an adult relative who provides care and maintenance to a related child apart from the child's parents or guardians on a 24-hour basis; and
- (3) Requires DHS to obtain local criminal history record information on adult relatives who provide care and maintenance to a related child apart from the child's parents or guardians.



DHS, the Department of the Attorney General, and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2850, S.D. 1, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1457-00 Finance on S.B. No. 2856**

The purpose of this bill is to eliminate administrative burdens placed upon the Department of Human Services (DHS) with regard to real property liens under section 346-29.5, Hawaii Revised Statutes (HRS).

Specifically, this bill:

- (1) Removes the requirement that DHS file an annual update of its liens with the Bureau of Conveyances;
- (2) Clarifies the distinction between the two different liens as provided in section 346-29.5, HRS; and
- (3) Clarifies that DHS, as a creditor, may initiate probate proceedings.

DHS testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2856, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

**SCRep. 1458-00 Finance on S.B. No. 2869**

The purpose of this bill is to clarify the Department of Health's (DOH) ability to assess fines against water suppliers for each day for each violation to conform with federal law. Strengthening these penalty provisions will ensure that DOH will qualify for continued federal funding to administer the Hawaii Safe Drinking Water Program.

The DOH testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2869, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1459-00 Finance on S.B. No. 2941**

The purpose of this bill is to change the appointment of the Tax Review Commission from every five years to every ten years starting in the year 2005, by proposing an amendment to article VII, section 3, of the Constitution of the State of Hawaii.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2941 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Ahu Isa and Meyer.  
(Representatives Fox, Marumoto and Moses voted no).

**SCRep. 1460-00 Finance on S.B. No. 2961**

The purpose of this bill is to appropriate funds for the payment of judgments against, and settlements entered into by, the University of Hawaii (University) for the satisfaction of claims against the University, its officers, and employees.

The University testified in support of this bill.

Your Committee notes that as the University seeks to achieve full autonomy, it should be responsible for the payment of any judgments against it or any settlements it entered into. Of particular concern are the EPA violations. If the State continues to pay for these judgments or settlements, this will not deter the University from engaging in future wrongdoings.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2961, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1461-00 Finance on S.B. No. 2993**

The purpose of this bill is to address environmental concerns by:

- (1) Expanding the duties of the Environmental Council (Council) to conduct investigations to secure information concerning ecology and environmental quality;
- (2) Requiring the Department of Health (DOH) to:
  - (a) Assess the effectiveness of its environmental hotlines; and
  - (b) Submit its analysis on the need to conduct an additional study on unplanned air releases;
- (3) Requiring the Office of Planning (OP) to evaluate alternative means to resolve conflicts between the existing planned industrial activities within Campbell Industrial Park and the concerns of neighboring communities regarding toxic emissions and spills, noise, smells, and other public health concerns;
- (4) Requiring the Hawaii State Emergency Response Commission (Commission) to:
  - (a) Assess the risk posed to the public and the environment by facilities with above ground chemical storage tanks throughout the State;
  - (b) Conduct a preliminary assessment of chemical facilities statewide; and
  - (c) Identify and conduct an in-depth evaluation of the twenty chemical facilities that may pose the greatest risks to human health and the environment;and
- (5) Appropriating funds:
  - (a) For the Commission's report on reducing the risks of chemical spills or releases; and
  - (b) To establish a permanent, full-time equivalent (FTE) planner IV position and a permanent, FTE secretary I position to be assigned to the Office of Environmental Control.

DOH, OP, Office of Environmental Quality Control, Hawaiian Electric Company and its subsidiaries, Maui Electric Company and Hawaii Electric Light Company, Tesoro Hawaii Corporation, and the Gas Company submitted comments on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2993, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Schatz.

**SCRep. 1462-00 Finance on S.B. No. 3043**

The purpose of this bill is to grant the Comptroller authority to establish a captive insurance company, which will be owned by the State, to insure the general liabilities of state agencies pursuant to the State Risk Management and Insurance Administration Law under chapter 41D, Hawaii Revised Statutes.

The Department of Accounting and General Services testified in support of the measure. The Department of Commerce and Consumer Affairs submitted comments on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3043, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Espero and Marumoto.

**SCRep. 1463-00 Finance on S.B. No. 3125**

The purpose of this bill is to exempt the counties from publication of notice requirements under section 1-28.5, Hawaii Revised Statutes (HRS), except for those notices required under chapters 103D (Hawaii Public Procurement Code) and 103F (Purchases of Health and Human Services), HRS.

The Mayor of Maui County, the County Clerk and the Department of Finance of Hawaii County, and the Hawaii Newspaper Agency testified in support of this measure. Common Cause Hawaii commented on this measure. The Department of Accounting and General Services opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3125, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1464-00 Finance on S.B. No. 3176**

The purpose of this bill is to restore the right to benefits of insurance coverage to reciprocal beneficiaries by:

- (1) Requiring the Hawaii Public Employees Health Fund to establish reciprocal beneficiary family health benefits plan; and
- (2) Extending to reciprocal beneficiaries the same insurance coverage offered to spouses.

The Hawaii Civil Rights Commission, Hawaii State Commission on the Status of Women, American Civil Liberties Union of Hawaii, American Friends Service Committee, and several individuals testified in support of this bill. The Health Fund's Board of Trustees, the Chamber of Commerce of Hawaii, and Hawaii Medical Services Association offered comments on this bill. GTE Hawaiian Telephone Company Inc., Hawaii Business Health Council, and Outrigger Hotels and Resorts testified in opposition to this bill.

Your Committee has amended this bill by:

- (1) Adding an amendment to section 572C-4, Hawaii Revised Statutes, which requires each of the parties to be residents of the State of Hawaii to qualify as a valid reciprocal beneficiary relationship; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3176, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3176, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Catalani.  
(Representatives Meyer and Moses voted no).

**SCRep. 1465-00 Labor and Public Employment and Finance on S.B. No. 3193**

The purpose of this bill is to provide for improved, cost-effective administration of current and future public employee benefit obligations, by transferring administration of these obligations from the Hawaii Public Employees Health Fund, to a newly established captive insurance company to be known as the Hawaii Insurance Exchange.

Your Committees find that adequate financing of the current and potential employee benefit obligations for existing and future state and county employees is of critical importance. A captive insurance facility may be an effective funding or financing mechanism for a single employer-union health trust fund and may result in cost savings to the State. However, your Committees believe that the captive insurance facility should not serve as an alternative to the employer-union health trust fund, but rather as a possible financing mechanism for the employer-union health trust fund.

The Department of Commerce and Consumer Affairs, the Department of Budget and Finance, and the Hawaii State Teachers Association submitted comments. The United Public Workers opposed the bill.

Your Committees have amended this bill by deleting its substance and inserting provisions requiring, upon the passage of Senate Bill No. 2802 or House Bill No. 1869, in any form, that the Department of Accounting and General Services perform a feasibility study on the concept of using a captive insurance facility as a funding mechanism by a single employer-union health trust fund to fund or finance current and future public employee health benefit obligations of the State and the counties.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3193, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 3193, S.D. 1, H.D. 2.

Signed by all members of the Committees except Representatives Okamura, Schatz and Rath.

**SCRep. 1466-00 Labor and Public Employment and Finance on S.B. No. 2218**

The purpose of this bill is to:

- (1) Provide legal protection to New Century Charter School (Charter School) boards;

- (2) Require the Auditor to consider the recommendations of local school boards in determining the allocations for Charter Schools;
- (3) Require the Auditor to develop a fund allocation methodology that can be applied to various alternative forms of public schools, including Charter Schools;
- (4) Appropriate funds for the establishment of additional Charter Schools; and
- (5) Allow groups of teachers to form a Charter School.

The Hawaii State Teachers Association and many individuals supported this bill. The Department of Education (DOE) supported this bill with proposed amendments. The Hawaii Government Employees Association supported the intent of this bill with reservations.

Your Committees find that Charter Schools will empower educators and provide them the opportunity to be innovative with their curricula. Your Committees desire to encourage these aspects of Charter Schools, but at the same time, want to establish criteria for educational and fiscal accountability in these schools that are comparable to those governing other public schools. Furthermore, Charter Schools should be encouraged to be as fiscally prudent as possible, and should utilize existing infrastructure and personnel whenever possible.

Therefore, upon further consideration, your Committees have amended this bill by:

- (1) Requiring that no additional general funds be expended for the purposes of this bill except those allocated pursuant to the provisions of subsection (a)(1) and (2) of section 302A-1185, Hawaii Revised Statutes;
- (2) Requiring the establishment of financial and academic criteria for accountability and graduation requirements equivalent to state standards for Charter Schools; and
- (3) Deleting the specification that funds appropriated for Charter Schools be applied in part to start-up costs including hiring new personnel and excluding personnel who transfer to the Charter School from another school or the DOE.

As affirmed by the records of votes of the members of your Committees on Labor and Public Employment and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2218, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2218, S.D. 1, H.D. 2.

Signed by all members of the Committees except Representatives Goodenow, Nakasone, Okamura, Schatz and Rath.

**SCRep. 1467-00 Consumer Protection and Commerce on H.R. No. 18**

The purpose of this resolution is to request that:

- (1) Legislation for the regulation of the profession of certified public accountancy be developed by the Department of Commerce and Consumer Affairs (DCCA), Board of Public Accountancy, Hawaii Society of Certified Public Accountants, the Hawaii Accountants Coalition, and the Hawaii Chapter of the National Association of Tax Practitioners; and
- (2) The proposed legislation be completed in time for the Governor to consider it for inclusion in the Administration's 2001 legislative package.

DCCA and the National Association of Tax Practitioners testified in support of this resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 18, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1468-00 Consumer Protection and Commerce on H.C.R. No. 18**

The purpose of this concurrent resolution is to request that:

- (1) Legislation for the regulation of the profession of certified public accountancy be developed by the Department of Commerce and Consumer Affairs (DCCA), Board of Public Accountancy, Hawaii Society of Certified Public Accountants, the Hawaii Accountants Coalition, and the Hawaii Chapter of the National Association of Tax Practitioners; and

- (2) The proposed legislation be completed in time for the Governor to consider it for inclusion in the Administration's 2001 legislative package.

DCCA and the National Association of Tax Practitioners testified in support of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 18, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1469-00 Consumer Protection and Commerce on H.R. No. 98**

The purpose of this resolution is to encourage and support responsible pet ownership by apartment residents by urging:

- (1) Landlords, associations of apartment owners, and tenants to work together to provide for the needs of the whole group;
- (2) Landlords and associations of apartment owners to support tenants who depend on pets for physical and mental health reasons; and
- (3) Apartment residents with pets to respect the rights of their neighbors and properly control and care for their pets.

The Hawaii Humane Society testified in support of this resolution. The Hawaii Association of Realtors (HAR) provided testimony in support of the intent of this resolution, and suggested an amendment.

Your Committee has made a technical, nonsubstantive amendment to this resolution as requested by HAR, to:

- (1) Reflect that chapter 515, Hawaii Revised Statutes, rather than the federal Fair Housing Act, authorizes apartment residents to keep animals; and
- (2) Specify that the authorized animals are not "pets," but are "guide dogs," signal dogs," and "service dogs".

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 98, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 98, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1470-00 Consumer Protection and Commerce on H.C.R. No. 109**

The purpose of this concurrent resolution is to encourage and support responsible pet ownership by apartment residents by urging:

- (1) Landlords, associations of apartment owners, and tenants to work together to provide for the needs of the whole group;
- (2) Landlords and associations of apartment owners to support tenants who depend on pets for physical and mental health reasons; and
- (3) Apartment residents with pets to respect the rights of their neighbors and properly control and care for their pets.

The Hawaii Humane Society testified in support of this concurrent resolution. The Hawaii Association of Realtors (HAR) provided testimony in support of the intent of this concurrent resolution, and suggested an amendment.

Your Committee has made a technical, nonsubstantive amendment to this concurrent resolution as requested by HAR, to:

- (1) Reflect that chapter 515, Hawaii Revised Statutes, rather than the federal Fair Housing Act, authorizes apartment residents to keep animals; and
- (2) Specify that the authorized animals are not "pets," but are "guide dogs," signal dogs," and "service dogs".

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 109, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 109, H.D. 1.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1471-00 Consumer Protection and Commerce on H.C.R. No. 38**

The purpose of this concurrent resolution is to ensure that the State's licensing requirements do not serve to unduly restrict the population of licensed psychologists available to serve community needs in the State. This concurrent resolution requests the Department of Commerce and Consumer Affairs (DCCA) to:

- (1) Collaborate with the Department of Health (DOH), Department of Education (DOE), the University of Hawaii, and private providers of behavioral health services in the community;
- (2) Assess community needs for the services of psychologists;
- (3) Evaluate the State's licensing requirements with respect to those needs; and
- (4) Report its findings and recommendations to the Legislature before the 2001 Regular Session.

Your Committee received testimony in support of this concurrent resolution from DCCA, DOE, and Hale Na'au Pono. DOH supported the intent of this concurrent resolution.

Your Committee heard testimony that a sizable pool of post-doctoral level psychologists in Hawaii do not meet licensing requirements under the existing administrative rules, and that for this reason, DOH has had difficulty recruiting and contracting licensed mental health service providers. DOH testified that the rules have also made it difficult for DOH to enter into reciprocity agreements with other states allowing reciprocal recognition of psychology licenses, because licensing requirements of the other state must be equal to or greater than those of this State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 38, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1472-00 Public Safety and Military Affairs on H.R. No. 124**

The purpose of this resolution is to urge the United States government to address the serious environmental and public health problems posed by the toxic wastes left behind at former United States military installations in the Philippines.

Your Committee received testimony in support of this measure from the American Friends Service Committee, the Filipino Coalition for Solidarity, Brewer Environmental Industries and a concerned citizen.

Your Committee has amended this measure by adding the President of the Philippines, the President of the Philippines Senate, and the Speaker of the Philippines House of Representatives to be among those receiving a certified copy of this measure.

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

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 124, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 124, H.D. 2.

Signed by all members of the Committee except Representative Chang.

**SCRep. 1473-00 Public Safety and Military Affairs on H.C.R. No. 141**

The purpose of this concurrent resolution is to urge the United States government to address the serious environmental and public health problems posed by the toxic wastes left behind at former United States military installations in the Philippines.

Your Committee received testimony in support of this measure from the American Friends Service Committee, the Filipino Coalition for Solidarity, Brewer Environmental Industries and a concerned citizen.

Your Committee has amended this measure by adding the President of the Philippines, the President of the Philippines Senate, and the Speaker of the Philippines House of Representatives to be among those receiving a certified copy of this measure.

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

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 141, H.D. 2.

Signed by all members of the Committee except Representative Chang.

**SCRep. 1474-00 Finance on H.C.R. No. 13**

The purpose of this concurrent resolution is to allow the Department of Land and Natural Resources (DLNR) to lease, by public auction, the submerged lands at Duke Kahanamoku Beach Pier at Waikiki.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 13, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1475-00 Finance on H.C.R. No. 89**

The purpose of this concurrent resolution is to request the Auditor to update its 1992 summary of special and revolving funds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 89, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1476-00 Finance on H.C.R. No. 117**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to review the statutory framework relating to the leasing of state lands.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 117, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1477-00 Finance on H.C.R. No. 31**

The purpose of this concurrent resolution is to encourage the State of Hawaii to acquire two parcels of land adjacent to Limahuli Stream on the Island of Kauai for the preservation of important cultural resources and their incorporation into Ha'ena State Park.

Your Committee has amended this measure by making a conjectural supposition regarding the disposition of the current land owner and by making non-substantive wording changes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 31, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 31, H.D. 2.

Signed by all members of the Committee except Representative Meyer.  
(Representative Yamane voted no).

**SCRep. 1478-00 Finance on H.C.R. No. 165**

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to implement the recommendations regarding Hawaii's commercial boating and ocean recreation industry made by the Small Business Task Force on Regulatory Relief.

The Department of Business, Economic Development and Tourism, The Small Business Regulatory Review Board, the Activity Owners Association, and two ocean recreation business submitted testimony in support. The Board of Land and Natural Resources comment on this measure.

Your Committee amended this concurrent resolution by correcting the Small Business Task Force on Regulatory Review's final report to more accurately read "annual report."

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 165, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 165, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1479-00 Finance on H.C.R. No. 172**

The purpose of this concurrent resolution is to request the Department of Health and the Department of Education to assess the prevalence and current treatment of head lice in Hawaii's schools.

Comments on this measure were received by the Department of Education.

Your Committee has amended this measure by replacing its title and contents with that of HCR 101, a similar measure concerning head lice.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 172, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 172, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1480-00 Finance on H.R. No. 90**

The purpose of this resolution is to request the Departments of Health and Education to assess the prevalence of head lice and the current use of chemical treatment for head lice in Hawaii's schools.

Your Committee has amended this measure by replacing its title and contents with that of HR 136, which requests a study to ascertain the feasibility of amending the Hawaiian Homes Commission Act to allow for direct election of members, and by adding an additional request that the study include determinations on:

- 1) Who should be allowed to run;
- 2) Who should be permitted to vote;
- 3) How the seats should be apportioned; and
- 4) How such an election should be financed.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 90, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 90, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1481-00 Finance on H.C.R. No. 101**

The purpose of this concurrent resolution is to request the Departments of Health and Education to assess the prevalence of head lice and the current use of chemical treatment for head lice in Hawaii's schools.

Your Committee has amended this measure by replacing its title and contents with that of HCR 19, which requests a study to ascertain the feasibility of amending the Hawaiian Homes Commission Act to allow for direct election of members, and by adding an additional request that the study include determinations on:

- 1) Who should be allowed to run;
- 2) Who should be permitted to vote;
- 3) How the seats should be apportioned; and
- 4) How such an election should be financed.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 101, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 101, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1482-00 Finance on H.R. No. 160**

The purpose of this resolution is to request the Department of Transportation to conduct a comprehensive updated study which would offer several solutions to the traffic problems on the Waianae Coast, taking into account the changes on the Waianae Coast since the last comprehensive study over 20 years ago.

Your Committee has amended this measure by replacing the Department of Transportation as the requested agency with the Oahu Metropolitan Planning Organization (OMPO), and to take into account the fact that OMPO is currently undertaking a study of the Waianae Coast traffic problems.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 160, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 160, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1483-00 Finance on H.C.R. No. 182**

The purpose of this concurrent resolution is to request the Department of Transportation to conduct a comprehensive updated study which would offer several solutions to the traffic problems on the Waianae Coast, taking into account the changes on the Waianae Coast since the last comprehensive study over 20 years ago.

Your Committee has amended this measure by replacing the Department of Transportation as the requested agency with the Oahu Metropolitan Planning Organization (OMPO), and to take into account the fact that OMPO is currently undertaking a study of the Waianae Coast traffic problems.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 182, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 182, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1484-00 Finance on H.R. No. 150**

The purpose of this resolution is to request the Department of Health and the Department of Education to assess the prevalence and current treatment of head lice in Hawaii's schools.

Comments on this measure were received by the Department of Education.

Your Committee has amended this measure by replacing its title and contents with that of HR 90, a similar measure concerning head lice.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 150, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 150, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1485-00 Finance on H.C.R. No. 8**

The purpose of this concurrent resolution is to request that the Judiciary study the feasibility of establishing a drug court in the Third Circuit.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 8, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1486-00 Finance on H.C.R. No. 195**

The purpose of this concurrent resolution is to request the Department of Transportation and the Department of Transportation Services of the City and County of Honolulu to study traffic patterns at the junction of lower Kaimuki, Kapahulu, Moiliili, Kapiolani Boulevard, St. Louis Heights, and the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 195, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1487-00 Finance on H.R. No. 4**

The purpose of this resolution is to stop domestic violence before more serious injuries occur by urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, as initial and continuing educational programs, for paramedics in the treatment of domestic violence patients.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 4, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1488-00 Finance on H.C.R. No. 5**

The purpose of this concurrent resolution is to stop domestic violence before more serious injuries occur by urging the Department of Emergency Services of the City and County of Honolulu to develop protocols and special training, as initial and continuing educational programs, for paramedics in the treatment of domestic violence patients.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 5, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1489-00 Finance on H.R. No. 6**

The purpose of this resolution is to support the Hawaii State Commission on the Status of Women and its efforts in advancing women's causes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 6, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1490-00 Finance on H.C.R. No. 7**

The purpose of this concurrent resolution is to support the Hawaii State Commission on the Status of Women and its efforts in advancing women's causes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 7, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1491-00 Finance on H.R. No. 17**

The purpose of this resolution is to request the incorporation of environmental design standards in all new and renovated buildings in public schools and libraries in order to prevent crime.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 17, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1492-00 Finance on H.C.R. No. 17**

The purpose of this concurrent resolution is to request the incorporation of environmental design standards in all new and renovated buildings in public schools and libraries in order to prevent crime.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 17, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1493-00 Finance on H.R. No. 144**

The purpose of this resolution is to request the Hawaii Tourism Authority to establish a transition plan to transfer the functions and responsibilities of the Convention Center Authority to the Hawaii Tourism Authority.

Your Committee has amended this measure by stating that the responsibilities of operations and marketing of the Convention Center, currently divided between two agencies could be consolidated under one agency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 144, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 144, H.D. 2.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1494-00 Finance on H.C.R. No. 164**

The purpose of this concurrent resolution is to request the Hawaii Tourism Authority to establish a transition plan to transfer the functions and responsibilities of the Convention Center Authority to the Hawaii Tourism Authority.

Your Committee has amended this measure by stating that the responsibilities of operations and marketing of the Convention Center, currently divided between two agencies could be consolidated under one agency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 164, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 164, H.D. 2.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1495-00 Finance on H.C.R. No. 20**

The purpose of this concurrent resolution is to request the Legislature, the Governor, the State Department of Defense and the Office of Veterans' Affairs to support and help to implement the events planned by the 50th Anniversary Commemoration of the Korean War Commission.

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

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1496-00 Finance on H.R. No. 27**

The purpose of this resolution is to request the Department of Agriculture to conduct a study on the feasibility of establishing a farmer's market in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 27, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1497-00 Finance on H.C.R. No. 24**

The purpose of this concurrent resolution is to request the Department of Agriculture to conduct a study on the feasibility of establishing a farmer's market in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 24, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1498-00 Finance on H.R. No. 86**

The purpose of this resolution is to request the Hawaii Institute for Public Affairs (HIPA) to conduct a public policy report on Hawaii's strategic environmental, human, and technological resources and capabilities, focusing on activities that can be initiated currently but whose impacts will mainly be felt in the formation of a New Economy.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 86, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1499-00 Finance on H.C.R. No. 96**

The purpose of this concurrent resolution is to request the Hawaii Institute for Public Affairs (HIPA) to conduct a public policy report on Hawaii's strategic environmental, human, and technological resources and capabilities, focusing on activities that can be initiated currently but whose impacts will mainly be felt in the formation of a New Economy.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 96, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1500-00 Finance on H.R. No. 105**

The purpose of this resolution is to request the establishment of a task force to create a master plan for water quality and flood mitigation for Waimanalo.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 105, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1501-00 Finance on H.C.R. No. 120**

The purpose of this resolution is to request the establishment of a task force to create a master plan for water quality and flood mitigation for Waimanalo.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 120, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1502-00 Finance on H.R. No. 138**

The purpose of this measure is to request that the University of Hawaii conduct a comprehensive analysis of Hawaii's ability to fund K-12 education.

In addition, this measure requests that the University of Hawaii:

- (1) Analyze the State's historical and current commitment to funding K-12 education;
- (2) Identify potential peer states and districts that share commonalities on key education, demographic, and economic dimensions, such that these peers can be used for benchmarking and future comparative study;
- (3) Recommend goals for levels of funding that represent adequate funding targets; and
- (4) Submit its findings and recommendations to the Legislature prior to the Regular Session of 2001.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 138, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1503-00 Finance on H.C.R. No. 157**

The purpose of this measure is to request that the University of Hawaii conduct a comprehensive analysis of Hawaii's ability to fund K-12 education.

In addition, this measure requests that the University of Hawaii:

- (1) Analyze the State's historical and current commitment to funding K-12 education;
- (2) Identify potential peer states and districts that share commonalities on key education, demographic, and economic dimensions, such that these peers can be used for benchmarking and future comparative study;
- (3) Recommend goals for levels of funding that represent adequate funding targets; and
- (4) Submit its findings and recommendations to the Legislature prior to the Regular Session of 2001.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 157, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1504-00 Finance on H.C.R. No. 111**

The purpose of this concurrent resolution is to gather comprehensive and accurate information before making funding decisions for adult mental health services by requesting the State Auditor to conduct a program and financial audit of the Department of Health's (DOH) Adult and Mental Health Division.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 111, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1505-00 Finance on H.C.R. No. 151**

The purpose of this resolution is to prepare a comprehensive master plan for Kokee and Waimea Canyon State Parks (Parks). The Chairperson of the Land and Natural Resources is requested to facilitate the development of the master plan with the appropriate divisions in Department of Land and Natural Resources (DLNR), existing lessees, and other stakeholders and interested parties, prioritize needs of the Parks, and determine how to best fund and implement programs to address priorities indicated in the master plan.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 151, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1506-00 Finance on H.C.R. No. 158**

The purpose of this concurrent resolution is to request the Department of Education and the University of Hawaii Community Colleges to initiate a collaborative partnership to improve services for adults and expand opportunities for high school students that will result in substantive outcomes for both entities.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 158, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1507-00 Finance on H.R. No. 143**

The purpose of this concurrent resolution is to urge all public and private schools to implement a CPR training program for students and require all students to take and pass this CPR training program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 143, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1508-00 Finance on H.C.R. No. 163**

The purpose of this concurrent resolution is to urge all public and private schools to implement a CPR training program for students and require all students to take and pass this CPR training program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 163, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1509-00 Finance on H.R. No. 165**

The purpose of this resolution is to request the Housing and Community Development Corporation of Hawaii (Corporation) to explore home ownership options at the state-owned and operated Palolo Homes I and II and other state-owned and operated housing projects.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 165, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1510-00 Finance on H.C.R. No. 190**

The purpose of this concurrent resolution is to request the Housing and Community Development Corporation of Hawaii (Corporation) to explore home ownership options at the state-owned and operated Palolo Homes I and II and other state-owned and operated housing projects.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 190, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1511-00 Finance on H.C.R. No. 184**

The purpose of this concurrent resolution is to reduce the State's overall administrative costs for health care purchasing by requesting the establishment of a Task Force to review and report on the feasibility of establishing collaborative health care purchasing arrangements between the Hawaii Public Employees Health Fund (Health Fund) and the Hawaii QUEST Program, including:

- (1) Coordination of health plan purchasing standards;
- (2) Combined purchasing of administrative services;
- (3) Cooperative purchasing of health services; and
- (4) Establishing a single health care purchasing agency for both the QUEST Program and the Health Fund.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 184, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1512-00 Finance on H.C.R. No. 191**

The purpose of this concurrent resolution is to request that the United States Navy increase the workload and employment in the Pearl Harbor Naval Shipyard and brief the community and the Legislature about the future workload plans.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 191, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1513-00 Finance on H.C.R. No. 192**

The purpose of this resolution is to request the Department of Accounting and General Services (DAGS) to investigate the feasibility of acquiring the No. 1 Capitol District by the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 192, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1514-00 Finance on H.C.R. No. 196**

The purpose of this concurrent resolution is to request the Governor to develop and implement a statewide, comprehensive, and effective working plan for placing qualified persons with disabilities in the most integrated settings possible and to keep waiting lists that move at a reasonable pace.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 196, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1515-00 Legislative Management on H.C.R. No. 152**

The purpose of this concurrent resolution is to urge each state legislator to establish a close and supportive relationship with schools within their district.

In addition, this concurrent resolution:

- (1) Urges legislators to foster a mutually beneficial partnership between schools and businesses and other stakeholders in the community;
- (2) Encourages schools, businesses, and other stakeholders in the community to collaborate in defining their respective roles to effectively support the schools; and
- (3) Requests legislators to utilize their many personal contacts with businesses and other stakeholders within the community to:

- (A) Assist in providing schools with their unique material needs, including computers, classroom supplies, sports equipment, age-appropriate and educational toys, art supplies, laboratory equipment, playground equipment, and supplementary curriculum materials; and
- (B) Provide schools with additional human resources, including classroom aides, subject matter experts, chaperones for special activities, tutors, mentors, clerical assistants, and labor for designated projects.

Your Committee received testimony in support of this measure from the Department of Education, Kauai District Superintendent, Kauai Chamber of Commerce, and an individual.

Your Committee finds that public schools play a crucial role in the development of Hawaii's youth and that the State's future economic and cultural well-being is dependent on their performance. For state government to be responsive to the needs of public schools, legislators need to establish close and supportive relationships with schools within their district.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 152 and recommends its adoption.

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

**SCRep. 1516-00 Legislative Management on H.C.R. No. 81**

The purpose of this concurrent resolution is to encourage legislators to visit schools to talk about the the Legislature and observe activities in the schools by designating the third Friday in September as "Legislators Back-to-School Day in Hawaii."

The Department of Education (DOE) testified in support of this measure.

Statewide voter registration statistics indicate that there is a lack of interest in the political process in, particularly, the 18-19-year-old age group. Your Committee believes that the "Legislators Back-to-School Day in Hawaii" is an opportune time to stress the importance of civic involvement and responsibility. However, your Committee notes that not all legislators may be able to attend this important event because it falls on the day before the Primary Election.

Your Committee has, therefore, amended this measure by:

- (1) Declaring the second Tuesday of September as "Legislators Back-to-School Day in Hawaii";
- (2) Changing the title to read: "DECLARING THE SECOND TUESDAY OF SEPTEMBER AS LEGISLATORS BACK-TO-SCHOOL DAY IN HAWAII";
- (3) Stating that the lack of interest in government is clearly evidenced in current statewide voter registration statistics, which indicate that only 39 of 3,924 of 18-19-year-olds, or one percent, and 3,924 of 53,415 persons in the 20-29 age group are registered voters;
- (4) Requesting legislators, in collaboration with DOE, the Office of Elections, businesses, all political parties, and other stakeholders within the community to develop a program for high school seniors which would:
  - (A) Stress the importance of civic involvement and responsibility; and
  - (B) Provide the opportunity for onsite voter registration;
- (5) Transmitting certified copies of the concurrent resolution to the President of the Senate, the Speaker of the House of Representatives, the Superintendent of Education, the Executive Directors of the Office of Elections and the Chamber of Commerce of Hawaii, and the Chairpersons of Hawaii's political parties and political parties registered with the Campaign Spending Commission; and
- (6) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 81, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 81, H.D. 1.

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

**SCRep. 1517-00 Education on H.R. No. 108**

The purpose of this resolution, as received by your Committee, is to request the Department of Education (DOE) to develop a proposed compensation schedule for high school coaches.

For purposes of public hearing, your Committee distributed a proposed H.D. 1 draft of a resolution that replaced the substantive contents of this measure. As amended, this draft:

- (1) Requests the Department of Health (DOH) and the Department of Agriculture (DOA) to take measures to mitigate:
  - (A) The infestation of flies; and
  - (B) Unpleasant odors;at Maili Elementary School associated with the farmland surrounding the school;
- (2) Requests the DOH to work with City and County of Honolulu officials to create a drainage system around the school to stop flooding problems during heavy rainfall; and
- (3) Is titled, "REQUESTING THE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF AGRICULTURE TO TAKE MEASURES TO MITIGATE THE INFESTATION OF FLIES, UNPLEASANT ODORS, INUNDATION BY DUST, AND SEVERE DRAINAGE PROBLEMS AT MAILI ELEMENTARY SCHOOL."

Several individuals supported this resolution. The DOE and the Board of Agriculture supported the intent of this resolution.

Upon further consideration, your Committee has amended the proposed draft of this resolution by:

- (1) Adding problems with dust to the issues to be dealt with by DOH and DOA at Maili Elementary School; and
- (2) Adding the Superintendent of Education to the list of persons to which the resolution is to be transmitted.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 108, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 108, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Santiago, Stegmaier and McDermott.

**SCRep. 1518-00 Education on H.C.R. No. 123**

The purpose of this concurrent resolution, as received by your Committee, is to request the Department of Education (DOE) to develop a proposed compensation schedule for high school coaches.

For purposes of public hearing, your Committee distributed a proposed H.D. 1 draft of a concurrent resolution that replaced the substantive contents of this measure. As amended, this draft:

- (1) Requests the Department of Health (DOH) and the Department of Agriculture (DOA) to take measures to mitigate:
  - (A) The infestation of flies; and
  - (B) Unpleasant odors;at Maili Elementary School associated with the farmland surrounding the school;
- (2) Requests the DOH to work with City and County of Honolulu officials to create a drainage system around the school to stop flooding problems during heavy rainfall; and
- (3) Is titled, "REQUESTING THE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF AGRICULTURE TO TAKE MEASURES TO MITIGATE THE INFESTATION OF FLIES, UNPLEASANT ODORS, INUNDATION BY DUST, AND SEVERE DRAINAGE PROBLEMS AT MAILI ELEMENTARY SCHOOL."

Several individuals supported this concurrent resolution. The DOE and the Board of Agriculture supported the intent of this concurrent resolution.

Upon further consideration, your Committee has amended the proposed draft of this concurrent resolution by:

- (1) Adding problems with dust to the issues to be dealt with by DOH and DOA at Maili Elementary School; and
- (2) Adding the Superintendent of Education to the list of persons to which the concurrent resolution is to be transmitted.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 123, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 123, H.D. 1.



Signed by all members of the Committee except Representatives Okamura, Santiago, Stegmaier and McDermott.

**SCRep. 1519-00 Judiciary and Hawaiian Affairs on H.R. No. 99**

The purpose of this resolution is to request that the Director of the Department of Health convene a task force to study the implications of increased access to sterile syringes and submit a report of findings and recommendations to the Legislature.

Testimony in support of this resolution was received from the State Department of Health, Department of Human Services, the Governor's Committee on HIV/AIDS, Hawaii HIV Prevention Community Planning Group, The Hawaii Pharmacists Association, and Hawaii Medical Association.

Your Committee finds that increased access to sterile syringes has consistently been shown to reduce transmission of HIV (AIDS), hepatitis B, and hepatitis C, thereby reducing the financial and human costs of these life-threatening contagious diseases. Research has also shown that increased access to sterile syringes does not promote increased drug use.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 99, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Yoshinaga, Pendleton, Thielen and Whalen.

**SCRep. 1520-00 Judiciary and Hawaiian Affairs on H.C.R. No. 110**

The purpose of this resolution is to request that the Director of the Department of Health convene a task force to study the implications of increased access to sterile syringes and submit a report of findings and recommendations to the Legislature.

Testimony in support of this resolution was received from the State Department of Health, Department of Human Services, the Governor's Committee on HIV/AIDS, Hawaii HIV Prevention Community Planning Group, The Hawaii Pharmacists Association, and Hawaii Medical Association.

Your Committee finds that increased access to sterile syringes has consistently been shown to reduce transmission of HIV (AIDS), hepatitis B, and hepatitis C, thereby reducing the financial and human costs of these life-threatening contagious diseases. Research has also shown that increased access to sterile syringes does not promote increased drug use.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 110, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Yoshinaga, Pendleton, Thielen and Whalen.

**SCRep. 1521-00 Judiciary and Hawaiian Affairs on H.R. No. 123**

The purpose of this resolution is to request the United States House of Representatives to speedily pass S. 1052 relating to the Commonwealth of the Northern Mariana Islands.

The Oahu Filipino Community Council testified in support of this measure.

Your Committee finds that passage of S. 1052 would bring U.S. immigration law to the Commonwealth of the Northern Mariana Islands to address many abuses against alien laborers. Encouraging the passage of S. 1052 would hopefully bring a quick resolution to these problems.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 123, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Yoshinaga, Pendleton, Thielen and Whalen.

**SCRep. 1522-00 Judiciary and Hawaiian Affairs on H.C.R. No. 140**

The purpose of this resolution is to request the United States House of Representative to speedily pass S. 1052 relating to the Commonwealth of the Northern Mariana Islands.

The Oahu Filipino Community Council testified in support of this measure.

Your Committee finds that passage of S. 1052 would bring U.S. immigration law to the Commonwealth of the Northern Mariana Islands to address many abuses against alien laborers. Encouraging the passage of S. 1052 would hopefully bring a quick resolution to these problems.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Yoshinaga, Pendleton, Thielen and Whalen.

**SCRep. 1523-00 Economic Development and Business Concerns on H.C.R. No. 116**

The purpose of this concurrent resolution, as received by your Committee, is to request Tokyu Corporation, in making its decision to sell or close Shirokiya Department stores in Hawaii, to consider the forty-year history of Shirokiya Department stores in Hawaii and the dedicated patronage of Hawaii's residents.

For purposes of public hearing, your Committee circulated a proposed H.D. 1 version of the concurrent resolution, which requests the establishment of a task force to study and, where appropriate, recommend legislation addressing the ownership of biological materials.

The Department of Business, Economic Development, and Tourism, Hawaii Technology Trade Association, Glaxo Wellcome Inc., High Technology Development Corporation, and an individual testified in support of the proposed H.D. 1 version. Hawaii Biotechnology Group, Inc., testified in opposition to the proposed H.D. 1 version.

Your Committee has amended the concurrent resolution by deleting its substance and incorporation the H.D. 1 version. This measure was further amended by:

- (1) Requesting the Governor's Special Advisor for Technology Development to establish an advisory council within the Office of the Governor to study legal, economic, and other issues relating to encouraging and attracting the development of public and private high technology bioscience research in the State;
- (2) Changing its title to read: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF AN ADVISORY COUNCIL TO STUDY ISSUES RELATING TO ENCOURAGING AND ATTRACTING THE DEVELOPMENT OF PUBLIC AND PRIVATE HIGH TECHNOLOGY BIOSCIENCE RESEARCH IN THE STATE"; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Economic Development and Business Concerns that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 116, H.D. 1.

Signed by all members of the Committee except Representatives Herkes, Abinsay, Ahu Isa and Kaho'ohalahala.

**SCRep. 1524-00 Finance on H.C.R. No. 62**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau (LRB) to conduct a study on the economic impact of instituting a living wage for all persons employed by a private company under a state contract.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 62, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1525-00 Finance on H.C.R. No. 67**

The purpose of this concurrent resolution is to request the Housing and Community Development Corporation of Hawaii to initiate a collaborative effort with private developers and the military to develop and analyze options to provide low-income housing to the civilian and military populations.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 67, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1526-00 Finance on H.R. No. 62**

The purpose of this resolution is to adopt and achieve a policy goal that by the year 2004 ninety percent of students in public elementary schools read at or above grade level by the end of the third grade.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1527-00 Finance on H.C.R. No. 71**

The purpose of this concurrent resolution is to adopt and achieve a policy goal that by the year 2004 ninety percent of students in public elementary schools read at or above grade level by the end of the third grade.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 71, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1528-00 Finance on H.R. No. 68**

The purpose of this resolution is to request the State Health Planning and Development Agency to require a social impact statement to be submitted for any proposed mental health, public safety, or similar use in a community.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 68, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1529-00 Finance on H.C.R. No. 77**

The purpose of this concurrent resolution is to request the State Health Planning and Development Agency to require a social impact statement to be submitted for any proposed mental health, public safety, or similar use in a community.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 77, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1530-00 Finance on H.R. No. 79**

The purpose of this resolution is to request the Executive Office on Aging (EOA) to conduct a comprehensive review of all programs in the State for, and the benefits received by, Hawaii's elders.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 79, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1531-00 Finance on H.C.R. No. 86**

The purpose of this concurrent resolution is to request the Executive Office on Aging (EOA) to conduct a comprehensive review of all programs in the State for, and the benefits received by, Hawaii's elders.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 86, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1532-00 Finance on H.R. No. 83**

The purpose of this resolution is to request the development of a ten-year plan for teacher education on the neighbor islands.

Specifically, the College of Education at the University of Hawaii at Manoa (UH), the College of Education at UH-Hilo, the University Centers at the Community Colleges on the islands of Hawaii, Kauai, and Maui, and the Hawaii, Kauai, and Maui Districts of the Department of Education (DOE) are requested to jointly develop a ten-year plan to ensure the continuous offering of teacher education for the neighbor islands, especially in the shortage areas of math, science, special education, "vocational" or "technical" education, and counselor education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 83, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1533-00 Finance on H.C.R. No. 93**

The purpose of this concurrent resolution is to request the development of a ten-year plan for teacher education on the neighbor islands.

Specifically, the College of Education at the University of Hawaii at Manoa (UH), the College of Education at UH-Hilo, the University Centers at the Community Colleges on the islands of Hawaii, Kauai, and Maui, and the Hawaii, Kauai, and Maui Districts of the Department of Education (DOE) are requested to jointly develop a ten-year plan to ensure the continuous offering of teacher education for the neighbor islands, especially in the shortage areas of math, science, special education, "vocational" or "technical" education, and counselor education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 93, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1534-00 Consumer Protection and Commerce on H.C.R. No. 34**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to:

- (1) Determine the feasibility of:
  - (A) Consolidating medical fee schedules applicable under prepaid health insurance and the medical portions of no-fault automobile and workers' compensation insurance; and
  - (B) Determining universal payment policies, recognized providers, and policies regarding payment for supplies;and
- (2) Submit a report to the Legislature including, to the extent possible, a model universal medical fee schedule before the 2001 Regular Session.

Testimony in support of this concurrent resolution was provided by the Department of Labor and Industrial Relations and the Hawaii Medical Service Association. WorkComp Hawaii supported the intent of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1535-00 Consumer Protection and Commerce on H.R. No. 40**

The purpose of this resolution is to request the Legislative Reference Bureau to:

- (1) Determine the feasibility of:
  - (A) Consolidating medical fee schedules applicable under prepaid health insurance and the medical portions of no-fault automobile and workers' compensation insurance; and
  - (B) Determining universal payment policies, recognized providers, and policies regarding payment for supplies;and
- (2) Submit a report to the Legislature including, to the extent possible, a model universal medical fee schedule before the 2001 Regular Session.

Testimony in support of this resolution was provided by the Department of Labor and Industrial Relations and the Hawaii Medical Service Association. WorkComp Hawaii supported the intent of this resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 40, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Chang, Hiraki, Morita, Takumi and Yoshinaga.

**SCRep. 1536-00 Finance on H.C.R. No. 57**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to study the proliferating body of legislation in the field of criminal history checks.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 57, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1537-00 Finance on H.C.R. No. 66**

The purpose of this measure is to request the Department of Human Services (DHS) to convene a public-private interagency group to examine ways to advocate the capture and maximization of federal funds to support Hawaii's health and human services programs.

Your Committee on Finance recalls a past audit with regard to the maximization of federal funds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 66, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1538-00 Finance on H.C.R. No. 78**

The purpose of this resolution is to request the State Department of Land and Natural Resources to conduct a feasibility study on developing the Seven Falls section of the Kolekole Stream and its adjoining areas into a tourist attraction.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1539-00 Finance on H.C.R. No. 186**

The purpose of this concurrent resolution is to require the Department of Education (DOE) to:

- (1) Allow water and ocean-based sports in public schools; and
- (2) Establish outrigger canoe paddling as a sanctioned school sport statewide.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 186, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1540-00 Finance on H.R. No. 47**

The purpose of this resolution is to encourage the expansion of a state web site entitled "For the Sake of the Children" for public access information purposes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 47, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1541-00 Finance on H.C.R. No. 42**

The purpose of this concurrent resolution is to encourage the expansion of a state web site entitled "For the Sake of the Children" for public access information purposes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 42, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1542-00 Finance on H.R. No. 57**

The purpose of this measure is to request the Department of Land and Natural Resources and each County to enter into long-term leases and development agreements with Hawaiian canoe clubs that desire to make improvements to their existing tenancies.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 57, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1543-00 Finance on H.C.R. No. 60**

The purpose of this measure is to request the Department of Land and Natural Resources (DLNR) and each county to enter into long-term leases and development agreements with Hawaiian canoe clubs that desire to make improvements to their existing tenancies.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 60, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1544-00 Finance on H.R. No. 58**

The purpose of this resolution is to request the Auditor to study the need for regulating the alarm industry.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 58, H.D. 1, and recommends its adoption in the form attached hereto as H.R. No. 58 H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. Finance on 1545-00 H.C.R. No. 65**

The purpose of this concurrent resolution is to request the Auditor to study the need for regulating the alarm industry.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65, H.D. 1, and recommends its adoption in the form attached hereto as H.C.R. No. 65, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1546-00 Finance on H.R. No. 163**

The purpose of this resolution is to encourage the establishment of a research institute and a master of arts program at the University of Hawaii at Manoa Center for Hawaiian Studies.

Your Committee finds that the establishment of a research institute and a master of arts program are worthy goals which will help to promote and preserve Hawaiian culture, heritage, and history. Your Committee also finds that the University of Hawaii at Hilo currently has a successful Hawaiian language program and could serve as a valuable resource for collaboration. Your Committee therefore urges that the University of Hawaii at Manoa work collaboratively with the University of Hawaii at Hilo in order to achieve the goals set forth in this resolution.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 163, H.D. 1, and recommends its adoption in the form attached hereto as H.R. No. 163 H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1547-00 Finance on H.C.R. No. 188**

The purpose of this concurrent resolution is to encourage the establishment of a research institute and a master of arts program at the University of Hawaii at Manoa Center for Hawaiian Studies.

Your Committee finds that the establishment of a research institute and a master of arts program are worthy goals which will help to promote and preserve Hawaiian culture, heritage, and history. Your Committee also finds that the University of Hawaii at Hilo currently has a successful Hawaiian language program and could serve as a valuable resource for collaboration. Your Committee therefore urges that the University of Hawaii at Manoa work collaboratively with the University of Hawaii at Hilo in order to achieve the goals set forth in this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 188, H.D. 1, and recommends its adoption in the form attached hereto as H.C.R. No. 188, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1548-00 Finance on H.R. No. 167**

The purpose of this resolution is to request an assessment of the goals and objectives of the A-Plus program, including recommendations for its improvement in conjunction with the Comprehensive Student Support System.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 167, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1549-00 Finance on H.C.R. No. 199**

The purpose of this concurrent resolution is to request an assessment of the goals and objectives of the A-Plus program, including recommendations for its improvement in conjunction with the Comprehensive Student Support System.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 199, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1550-00 Finance on H.R. No. 92**

The purpose of this resolution is to request a study of the impact that commercial marine mammal watching tours may have on marine mammals in waters off the Waianae Coast of Oahu.

Your Committee has amended this measure by inserting a request that the Board of Land and Natural Resources establish a task force to study this impact and report to the Legislature prior to the convening of the Regular Session of 2001. Your Committee has also amended this measure by making non-substantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 92, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 92, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1551-00 Finance on H.C.R. No. 103**

The purpose of this concurrent resolution is to request a study of the impact that commercial marine mammal watching tours may have on marine mammals in waters off the Waianae Coast of Oahu.

Your Committee has amended this measure by inserting a request that the Board of Land and Natural Resources establish a task force to study this impact and report to the Legislature prior to the convening of the Regular Session of 2001. Your Committee has also amended this measure by making non-substantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 103, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 103, H.D. 1.

Signed by all members of the Committee except Representative Meyer.

**SCRep. 1552-00 Water and Land Use on S.C.R. No. 95**

The purpose of this concurrent resolution is to urge the federal government to share in the cost of conducting a comprehensive inventory of ceded lands in the State of Hawaii.

The Office of Hawaiian Affairs (OHA) testified in support of the concurrent resolution.

Your Committee finds that the purpose and intent of this concurrent resolution is consistent with the positions taken by the OHA trustees. The trustees have earlier taken the position in support of S.B. No. 2108- Relating to Public Land Trust stating that it is not only the State's obligation alone to inventory and account for the ceded lands. The inventory should include all the ceded lands held by the State, federal government, and the counties. Since the land was ceded to the United States in 1898, the trustees

believe that the United States should bear the principal responsibility for inventory and accounting using federal resources and revenues. While the State should move forward with their inventory and accounting proposed in S.B. No. 2108, the State is asked to join in urging the United States to take the lead in conducting and funding of this necessary first step towards reconciliation.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 95, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs.

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

**SCRep. 1553-00 Legislative Management on S.C.R. No. 47**

The purpose of this concurrent resolution is to request that the Auditor review and identify fiscally-related powers conferred upon or assumed by the Executive Branch since 1987 that may be reclaimed by the Legislature.

Your Committee finds that this measure is necessary to ensure balance in executive-legislative fiscal relations between these two branches of government.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 47 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takamine, Souki, Fox and Halford.

**SCRep. 1554-00 Legislative Management on S.C.R. No. 56**

The purpose of this concurrent resolution is to establish a joint interim committee to develop a policy on legislative bill limits.

Your Committee finds that limiting bill introductions in each house will help reduce the number of duplicative measures introduced each legislative session and will have the overall result of increasing the Legislature's efficiency and effectiveness.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 56 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takamine, Souki, Fox and Halford.

**SCRep. 1555-00 Consumer Protection and Commerce on S.C.R. No. 88**

The purpose of this concurrent resolution is to request the Department of Health (DOH) to:

- (1) Convene a task force to develop recommendations to improve early detection and screening for diabetes in the State and to include representatives from the major health plans, MedQUEST, and the Hawaii State Primary Care Association; and
- (2) Report its findings, recommendations, and any proposed legislation to the 2001 Legislature.

DOH and the Hawaii Medical Association testified in support of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 88, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga, Halford and Whalen.

**SCRep. 1556-00 Consumer Protection and Commerce on S.C.R. No. 171**

The purpose of this concurrent resolution is to request the Department of Transportation (DOT) to:

- (1) Convene a working group to investigate and resolve concerns regarding the establishment of a one-call underground facilities location system raised at the public hearing of S.B. No. 2285, a bill that would have established a one-call system; and
- (2) Report to the 2001 Legislature any findings and recommendations, including proposed legislation.

Testimony supporting the concurrent resolution was submitted by Kauai Electric, the Gas Company, and GTE Hawaiian Tel. DOT, Public Utilities Commission, Hawaiian Electric Company, and its subsidiaries, Hawaii Electric Light Company and Maui



Electric Company provided testimony supporting the intent of the concurrent resolution. AT&T supported the one-call system and stated that it would work with DOT as DOT studies the feasibility of establishing the system in Hawaii.

Your Committee finds that the establishment of a one-call system would benefit both consumers and businesses. The system would provide those undertaking excavation activities with information about the location of existing underground facilities. The information sharing and coordination provided by the system would reduce costs resulting from injuries to persons and the environment, damage to existing underground facilities, and the disruption of vital utility and telecommunications services to the public.

Your Committee requests that in conducting its study, DOT consider the Internet and geographic information system technology as possible means of centralizing and facilitating the exchange of information for purposes of the one-call system.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 171, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Takumi, Yoshinaga, Halford and Whalen.

**SCRep. 1557-00 Human Services and Housing and Health on S.C.R. No. 73**

The purpose of this measure is to urge Congress to extend Medicare benefits to include prescription drug coverage for the elderly and disabled.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 73, S.D. 1, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Kawakami.

**SCRep. 1558-00 Human Services and Housing and Health on S.C.R. No. 135**

The purpose of this measure is to request the Department of Human Services (DHS) to convene a working group to find out how to maximize federal funding assistance for Hawaii's health and human services programs.

The Legal Aid Society, the Welfare & Employment Rights Coalition, the Hawaii Coalition for Affordable Long Term Care, and the Kokua Council testified in support of this measure. DHS testified in support of this measure with amendments.

Your Committees find that Hawaii, compared to similarly situated states, is not receiving its maximum possible share of federal funding for health and human services programs.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 135, S.D. 1, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representative Kawakami.

**SCRep. 1559-00 Human Services and Housing on S.C.R. No. 208**

The purpose of this concurrent resolution is to request the Department of Human Services (DHS) to convene an interagency working group, including both public departments and private organizations, to develop a plan to help low income families to improve their standard of living and to help welfare recipients to train for and to find jobs.

The Welfare and Employment Rights Coalition and the Hawaii Catholic Conference testified in support of this concurrent resolution. DHS testified in support of the intent of this concurrent resolution.

As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 208, S.D. 1, and recommends that it be referred to the Committee on Labor and Public Employment.

Signed by all members of the Committee except Representative Kawakami.

**SCRep. 1560-00 Public Safety and Military Affairs and Culture and the Arts on S.C.R. No. 103**

The purpose of this concurrent resolution is to urge support for the documentary film "An Untold Triumph" and for the State Foundation on Culture and the Arts to assist completion of the film project by providing funds.

One individual testified in support of this measure. The State Foundation on Culture and the Arts testified in opposition to this measure.

Your Committees find that approximately 7,000 Filipino-American soldiers served with distinction in the United States Army during World War II. Some of these soldiers were trained as special forces units and performed critical reconnaissance missions for General MacArthur's return to the Philippines. Furthermore, the contributions and sacrifices of these brave men are, for the most part, undocumented and unknown to the general public.

Completing this documentary will preserve the experiences, exploits, and heroic deeds of these Filipino-American soldiers so that they can be retold to future generations of Americans. Furthermore, the current generation of Filipino-Americans can take pride in their place in history.

As affirmed by the records of votes of the members of your Committees on Public Safety and Military Affairs and Culture and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 103 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Takai and Santiago.

**SCRep. 1561-00 Judiciary and Hawaiian Affairs on S.C.R. No. 26**

The purpose of this resolution is to request the Judiciary to determine the feasibility of establishing Drug Courts on the islands of Hawaii and Kauai.

Testimony in support of this resolution was received from the Judiciary, the Department of Public Safety, and Community Alliance on Prisons.

Your Committee finds that the Honolulu Drug Court has been very successful in substantially reducing the recidivism rates of its participants. Your Committee believes that establishing Drug Courts on the islands of Hawaii and Kauai will address the growing number of substance abuse cases in those counties and will significantly lower the number of detained and incarcerated individuals with drug abuse problems by offering an alternative to incarceration for nonviolent drug-abusing offenders.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 26, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Cachola, Garcia, Takumi, Yoshinaga, Auwae and Thielen.

**SCRep. 1562-00 Judiciary and Hawaiian Affairs on S.C.R. No. 116**

The purpose of this resolution is to encourage more openness in judicial evaluations and more public confidence in the quality of our judges and justices.

Testimony in support of this resolution was received from the Judiciary.

Your Committee finds that a public education program on the judicial evaluation process is necessary for public confidence in the Judiciary. Your Committee further finds that the provisions in this resolution will help improve the quality of performance in the Judiciary.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 116, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Cachola, Garcia, Yoshinaga, Auwae and Thielen.

**SCRep. 1563-00 Judiciary and Hawaiian Affairs on S.C.R. No. 122**

The purpose of this resolution is to request that the Legislative Reference Bureau conduct a study on criminal history records checks.

The Department of the Attorney General, the Hawaii Civil Rights Commission and the Sex Abuse Treatment Center testified in support of the measure.

Your Committee finds that a comprehensive review of the issue of criminal record checks is necessary in order to ensure fair and consistent application, rather than continuing to impose requirements in a piecemeal fashion.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 122, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Cachola, Garcia, Yoshinaga, Auwae and Thielen.

**SCRep. 1564-00 Judiciary and Hawaiian Affairs on S.C.R. No. 199**

The purpose of this measure is to request the Department of Business, Economic Development, and Tourism to examine the potential economic and environmental impact of hydrogen use as an alternative to petroleum fuel.

The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 199, S.D. 1, H.D.1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Saiki, Cachola, Garcia, Yoshinaga, Auwae and Thielen.

**SCRep. 1565-00 Energy and Environmental Protection on S.C.R. No. 183**

The purpose of this measure is to request the Department of Business, Economic Development, and Tourism to examine the potential economic and environmental impact of hydrogen use as an alternative to petroleum fuel.

The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Garcia, Cachola and Schatz.

**SCRep. 1566-00 Energy and Environmental Protection on S.C.R. No. 129**

The purpose of this concurrent resolution, as received by your Committee, is to request the Department of Health to convene a task force to study issues relevant to unplanned releases of emissions and spills at Campbell Industrial Park.

Life of the Land and one individual testified in support of this measure. The Department of Health, Hawaii Electric Company, Maui Electric Company, and Hawaii Electric Light Company testified in support of the intent of this measure and with suggested amendments.

Your Committee finds that a Report on Unplanned Air Releases in Campbell Industrial Park (1995-99), recently completed by the Clean Air Branch of the Department of Health, will be submitted to the Legislature in June 2000. Therefore, your Committee has made the following amendments:

- (1) Deleting the request for a task force to be convened to conduct a study on unplanned releases of toxic emissions and spills,
- (2) Requiring the Hawaii State Emergency Response Commission to determine the level of risk that facilities with above ground chemical storage tanks may pose to the public and the environment (language taken from SB 2992 HD2),
- (3) Limiting the scope of the assessment of facilities with above ground chemical storage tanks to those at Campbell Industrial Park instead of statewide, and
- (3) Requiring the Hawaii State Emergency Response Commission to report their findings to the Legislature no later than twenty days prior to the convening of the regular session of 2002.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 129, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Garcia, Cachola and Schatz.

**SCRep. 1567-00 Energy and Environmental Protection on S.C.R. No. 143**

The purpose of this concurrent resolution is to enhance the management of Hawaii's native flora and fauna that survive in the State's 19 Natural Area Reserves. This measure requests the Department of Land and Natural Resources (DLNR) to convene a working group to identify potential sources of permanent dedicated funding and funding needs of the Natural Area Reserves System (NARS).

DLNR, the Earthjustice Legal Defense Fund, Life of the Land, and the Hawaii Audubon Society testified in support of this measure.

Your Committee has amended this measure by adding the provisions of the proposed S.C.R. No. 183, H.D. 1, which your Committee circulated prior to this public hearing. This proposed draft requests DLNR and the Hawaii Tourism Authority to discuss the conditions of selected state park restroom facilities. Your Committee notes that the Committee on Water and Land Use passed out a similar measure (H.C.R. No. 133) on March 31, 2000.

Your Committee has further amended this measure by:

- (1) Changing the title to read: "SENATE CONCURRENT RESOLUTION RELATING TO STATE PARK RESTROOM FACILITIES AND FUNDING FOR THE NATURAL AREA RESERVES SYSTEM"; and
- (2) Making technical, nonsubstantive amendments to correct drafting errors.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 143, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 143, H.D. 1.

Signed by all members of the Committee except Representatives Garcia, Cachola and Schatz.

#### **SCRep. 1568-00 Energy and Environmental Protection on S.C.R. No. 204**

The purpose of this concurrent resolution, as received by your Committee, is to request the Department of Health to test the individual homes in composites seventeen and twenty-five to clarify the levels of toxic substances in each home and make a determination of habitability for each.

Life of the Land testified in support of this concurrent resolution and the Department of Health offered comments.

Your Committee finds that health assessments of the Village Park and West Loch Fairways communities have already been conducted and homeowners with soil test results containing elevated levels of arsenic were notified and given the option of further sampling. To this date, not one homeowner has requested additional sampling. Your Committee realizes that under the Environmental Response Law (Chapter 128D HRS), the landowner would be responsible for all costs involved in a response action by the Department of Health.

Your Committee has therefore amended this concurrent resolution by requesting the Department of Health to provide technical guidance and assistance to those individual homeowners who may pursue further investigations on their own accord, based on the Department's previous notification of test findings.

As affirmed by the record of votes of the members of your Committee on Energy and Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 204, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 204, H.D. 1.

Signed by all members of the Committee except Representatives Garcia, Cachola and Schatz.

#### **SCRep. 1569-00 Energy and Environmental Protection and Consumer Protection and Commerce on S.C.R. No. 173**

The purpose of this concurrent resolution is to request Hawaiian Electric Company (HECO) to retain the solar water heating rebate levels at their current levels for at least one year beyond April 1, 2000. This measure also requests the Public Utilities Commission (PUC) to monitor this situation so that the intent of this measure is faithfully implemented.

The Hawaii Solar Energy Association, the Hawaii Renewable Energy Alliance, Malama o Manoa, Life of the Land, and an individual testified in support of this concurrent resolution. The PUC supported the intent of this measure. HECO, and its subsidiary utilities, Hawaii Electric Light Company and Maui Electric Company, expressed concerns about this measure.

Your Committees have amended this concurrent resolution by deleting its substance and inserting provisions found in H.C.R. No. 176, H.D. 1, which your Committees reported out on April 3, 2000. As amended, this measure requests the PUC to expeditiously address and consider demand side management issues, including the modification of financial incentives in related, pending, or new commission dockets. In light of these amendments, the title of this measure has been amended to read: "SENATE CONCURRENT RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO ADDRESS AND CONSIDER ADDITIONAL DEMAND SIDE MANAGEMENT ISSUES IN RELATED, PENDING, OR NEW COMMISSION DOCKETS.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 173, S.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 173, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Garcia, Menor, Cachola, Garcia, Hiraki, Schatz, Yoshinaga, Halford and Whalen.

**SCRep. 1570-00 Energy and Environmental Protection and Consumer Protection and Commerce on S.C.R. No. 179**

The purpose of this concurrent resolution is to support the use of renewable energy in the state by requesting the Public Utilities Commission (PUC) to:

- (1) Resolve avoided cost issues by completing Docket No. 7310, short-run avoided energy costs for as-available resources; and
- (2) Issue a decision and order.

The Hawaii Renewable Energy Alliance, Life of the Land, Malama o Manoa, and an individual testified in support of this concurrent resolution. The PUC and Hawaiian Electric Company, and its subsidiary utilities, Maui Electric Company and Hawaii Electric Light Company, offered comments.

Your Committees have amended this measure by deleting its substance and inserting provisions found in H.C.R. No. 178, H.D. 1, a companion to this measure, which your Committees reported out on April 3, 2000. As amended, this measure:

- (1) Deletes certain references to the Hawaii Administrative Rules in the first BE IT FURTHER RESOLVED clause relating to the implementation of a plan to calculate avoided cost within 120 days from the filing of a petition by a qualifying facility;
- (2) Changes the title to read: "SENATE CONCURRENT RESOLUTION REQUIRING THE PUBLIC UTILITIES COMMISSION TO RESOLVE AVOIDED COST ISSUES"; and
- (3) Makes technical, nonsubstantive amendments for the purposes of clarity.

As affirmed by the records of votes of the members of your Committees on Energy and Environmental Protection and Consumer Protection and Commerce that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 179, S.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 179, S.D. 1, H.D. 1.

Signed by all members of the Committees except Representatives Garcia, Menor, Cachola, Garcia, Hiraki, Schatz, Yoshinaga, Halford and Whalen.

**SCRep. 1571-00 Education on S.C.R. No. 57**

The purpose of this concurrent resolution is to request the Auditor to review and assess the Department of Education's development of educational standards for public schools statewide.

Your Committee finds that in order to attain higher academic achievement in our public schools and establish greater accountability by the Department of Education, educational content and performance-based standards must be developed and reviewed periodically to measure and compare the academic progress and growth of Hawaii's students. A recent national study, however, assessed Hawaii's educational standards with an overall grade of D-minus and ranked our State 44th in its English, history, geography, science, and math standards.

According to testimony submitted by the Superintendent of Education, he is well aware of the problem and agrees with your Committee that a "review of the Hawaii Content and Performance Standards is extremely important and fundamental to ensuring that quality standards are developed for Hawaii's students." Although the Superintendent expressed some reservations, he was "pleased to work with the Auditor to ensure the rigor and credibility of the external review ..."

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 57, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Okamura, Arakaki, Santiago and Takai.

**SCRep. 1572-00 Education on S.C.R. No. 59**

The purpose of this concurrent resolution is to request the Ombudsman to investigate the geographic exceptions granted by public schools, to specifically determine:

- (1) Which schools tend to lose the most students through geographic exceptions;
- (2) Which schools tend to gain the most students through geographic exceptions; and
- (3) For what reasons students transfer to and from some schools more than others.

The Department of Education supported this concurrent resolution.

Your Committee finds that there is a need to determine which schools are affected the most by geographic exceptions. It is important to understand which aspects of certain schools cause students to transfer to and from them more often than others, and to decide whether or not those reasons for seeking geographic exceptions are in concert with the established criteria for granting geographic exceptions.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 59 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Okamura, Arakaki, Santiago and Takai.

**SCRep. 1573-00 Education on S.C.R. No. 166**

The purpose of this concurrent resolution is to request the Department of Education (DOE) and youth organizations to access the website of the Hawaii Criminal Justice Data Center to obtain sex offender information.

The DOE, the Department of the Attorney General, and the Office of Youth Services testified in support of this measure.

Your Committee finds that the new website will make access to information quick and easy. Difficulty accessing the information has been the leading deterrent to its use. Convenient access to this information will ensure that appropriate hiring decisions are made and will reduce the amount of resources spent in litigation and damage awards.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 166, S.D. 1, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs.

Signed by all members of the Committee except Representatives Okamura, Arakaki, Santiago and Takai.

**SCRep. 1574-00 Education on S.C.R. No. 123**

The purpose of this concurrent resolution is to request the Department of Education (DOE) to review internal policy to ensure statewide compliance with existing law requiring criminal history record checks for persons working with children.

The DOE supported this concurrent resolution.

Your Committee finds that this concurrent resolution addresses a very important issue in Hawaii's schools. It is imperative that students are not placed in close contact in the schools with persons who are known criminals. However, your Committee would like this concurrent resolution to specifically address the fact that criminal history checks are only conducted after an employee is hired, sometimes resulting in the hire of persons with serious criminal histories who are allowed to work with or around children while their background check is being considered.

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

- (1) Including a request to the Board of Education (Board) to investigate the possibility of conducting a criminal record check prior to the hiring of an applicant; and
- (2) Transmitting a certified copy of the concurrent resolution to the Chairperson of the Board.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 123, as amended herein, and recommends that it be referred to the Committee on Judiciary and Hawaiian Affairs in the form attached hereto as S.C.R. No. 123, H.D. 1.

Signed by all members of the Committee except Representatives Okamura, Arakaki, Santiago and Takai.

**SCRep. 1575-00 Education and Public Safety and Military Affairs on S.C.R. No. 157**

The purpose of this measure is to urge the Board of Education to establish a position of military liaison officer to serve the Board of Education.

Your Committees find that establishing the position will enable the Board of Education and the military to open formal channels of communication on educational matters affecting military children.

Military families are an important component of this community who are often overlooked because most are officially residents of other states. However, the children of military families have educational needs that are no different from any other.

As affirmed by the records of votes of the members of your Committees on Education and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 157, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committees except Representatives Okamura, Arakaki, Morihara, Santiago and Pendleton.

**SCRep. 1576-00 Water and Land Use on S.C.R. No. 60**

The purpose of this concurrent resolution is to look into charging of user fees to people visiting Kokee State Park, Alakai Swamp, and Waimea Canyon State Park to shift the costs of maintaining those areas to those who are using them.

The Department of Land and Natural Resources supports this concurrent resolution to include additional amendments.

Your Committee finds that all revenues generated in the State Parks are currently deposited into the Aina Hoomalu Special Fund (Special Fund) which is used for the State Parks' interpretive program and administrative costs. The language contained in the Special Fund does not allow for the use of the revenue generated from the State Parks in routine maintenance costs. There are measures currently under consideration by the legislature to make such changes (S.B. No. 2909 and H.B. No. 2568).

Kokee Park and Waimea Canyon State Parks and the Alakai Wilderness Preserve are some of the State's most precious resources and include irreplaceable endangered species. These and nearby areas are also frequent destinations of residents and visitors. Unfortunately, funding required to ensure adequate care and management of these areas has been reduced in the recent years. Alternative sources of revenue are needed.

Your Committee amended the concurrent resolution by:

- (1) Adding the surrounding forest reserves; and
- (2) Changing the title to include surrounding forest reserves.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 60, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 60, S.D. 1, H.D. 1.

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

**SCRep. 1577-00 Water and Land Use on S.C.R. No. 77**

The purpose of this concurrent resolution is to request that the Department of Hawaiian Home Lands and the Department of Transportation work cooperatively together to allow public access to Haiku Stairs, in a manner consistent with the underlying purposes for which the land is held.

Your committee received testimony regarding the proposed House draft of this concurrent resolution.

The purpose of the proposed House draft of this concurrent resolution is to request the Department of Health (DOH) to take the lead in negotiating with the Department of Land and Natural Resources (DLNR) a reasonable rental fee for the adult day programs that provide services to persons with mental retardation and developmental disabilities (MR/DD).

Research Center of Hawaii, Home and Community Services of Hawaii, Kokua Villa, Kokua Mau Work Center and nine private citizens provided testimony in support of the proposed House draft of this measure.

The Primary Care Providers of Hawaii testified in support of the proposed House draft of this measure, but not in its entirety, and provided recommendations for amendments.

The DOH testified in support of the intent of the proposed House draft of this concurrent resolution with reservations, and provided recommendations for amendments.

The DLNR testified on the proposed House draft of this concurrent resolution, that they are willing to work with the present public and private users regarding the future use of the Waimano facility.

Your Committee finds that the DLNR does not have the resources to support these programs at the current rental rates. DLNR is complying with prior legislative mandate to close the Waimano facility and is currently in discussions with the Waimano providers to explain the economics of how "rents" and all costs are calculated. There are costs that must be covered to adequately

operate and maintain the facility. Without legislative appropriation to pay for these costs, DLNR has no other recourse than to charge the users.

Your committee further finds that the responsibility of working with the support providers at Waimano should fall on DOH, and the responsibility of the maintenance and administration of Waimano Training School and Hospital grounds should fall on DLNR.

Your Committee amended this concurrent resolution by:

- (1) Amending the title to request the DOH to work with service providers and DLNR to determine a reasonable rental fee to improve infrastructure on the Waimano Training School and Hospital grounds;
- (2) Replacing language regarding Haiku Stairs with language regarding Waimano Training School and Hospital, its current tenants, rental fees and improvements to infrastructure; and
- (3) Making technical, non-substantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77, as amended herein, and recommends that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 77, H.D. 1.

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

**SCRep. 1578-00 Water and Land Use on S.C.R. No. 14**

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to place Pu'u Kapolei in the Hawaii and National Registers of Historic Places.

The Department of Land and Natural Resources (DLNR) testified in support of the concurrent resolution.

Your Committee finds that Pu'u o Kapolei/Battery Barrett is a significant historic property for multiple reasons. The site is a City and County property which is protected under Section 6E-8, Hawaii Revised Statutes (HRS). The placement of the site in the registers would not give it more protection, but would give it formal recognition of its status as a historic property. DLNR is willing to assist any initiative from the community to prepare the nomination form and coordinate having the nomination submitted to the Hawaii Historic Places Review Board for due consideration.

As affirmed by the record of votes of the members of your Committee on Water and Land Use that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 14, S.D. 1, and recommends its adoption.

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

**SCRep. 1579-00 Public Safety and Military Affairs on S.C.R. No. 102**

The purpose of this concurrent resolution is to:

- (1) Urge the United States Navy to increase the workload and employment in Pearl Harbor Naval Shipyard to use the full capacity of the Hawaiian ship repair industry; and
- (2) Request the United States Navy to brief the legislature and community business leaders on the future workload plans for Pearl Harbor Naval Shipyard.

The president and a trustee of the Hawaii Federal Employee's Metal Trades Council and the International Federation of Professional and Technical Engineers testified in support of this measure.

Your Committee finds that the Pearl Harbor Naval Shipyard (Shipyard) currently employs a large number of local civilian workers to maintain ships stationed here. Furthermore, there are 1,000 qualified local applicants seeking employment at the Shipyard and it would be in the best interest of the State if the Navy would use qualified local workers before importing labor from the U.S. mainland.

As affirmed by the record of votes of the members of your Committee on Public Safety and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 102, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Pendleton.

**SCRep. 1580-00 Transportation on S.C.R. No. 125**

The purpose of this Senate Concurrent Resolution, as received by your Committee, is to request the Department of Transportation (DOT) to expand the capacity of the Central H-1 Freeway corridor.



Your Committee finds that there is an urgent need to reduce traffic congestion on the Central H-1 Freeway corridor. Your Committee further finds that increasing roadway capacity is the best means for reducing traffic congestion, such as High Occupancy Vehicle (HOV) lanes that have proven effective in accommodating more vehicles with less congestion.

Testimonies in support of this measure were received from the Department of Transportation, McCully-Mo'ili'ili Neighborhood Board No. 8, Makiki Neighborhood Board No. 10, Diamond Head/Kapahulu/St. Louis Heights Neighborhood Board No. 5, Palolo Neighborhood Board No. 6, and a citizen who reported that it had been supported at a March meeting of the Makiki/Tantalus/Lower Punchbowl Neighborhood Board, and who also provided written and oral support for this measure.

This Senate Concurrent Resolution proposes that the DOT expend additional efforts in attempting to expand the capacity of the Central H-1 Freeway corridor, explore additional tradeoffs with the Federal Highway Administration that might allow a "shoulder lane" during peak traffic hours, identify specific recommendations from previous studies, and work more closely with public workshops that may produce a larger universe of options for expanding highway capacity.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 125, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Okamura, Saiki and Yoshinaga.

**SCRep. 1581-00 Ocean Marine Resources S.C.R. No. 89**

The purpose of this measure is to request that the Department of Land and Natural Resources convene a study group to determine how to protect the endangered turtles and other threatened species at Punalu'u Beach and Kamehame Beach nearby and recommend appropriate actions to preserve and protect the endangered species as well as the beaches themselves.

Testimony in support of this measure was given by the Department of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. 89 and recommends its adoption.

Signed by all members of the Committee except Representatives Takumi, Garcia and Meyer.

**SCRep. 1582-00 Ocean Marine Resources S.C.R. No. 141**

The purpose of this measure is to request the United States Navy and the University of Hawaii to agree to transfer an advanced tethered vehicle to the University of Hawaii's Hawaii Undersea Research Laboratory.

Your Committee concurs with the Senate's finding that the U.S. Navy's surplus advanced tethered vehicle would be valuable to the University of Hawaii for undersea research. Further, the Pacific Missile Range Facility on Kauai lacks the capability to operate an advanced tethered vehicle for underwater acoustic range maintenance and recovery efforts.

Your Committee finds that an agreement between the United States Navy and the University of Hawaii over the use of an advanced tethered vehicle will advance both scientific research and serve the interests of national security.

Testimony in support of this measure was given by the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Ocean Recreation and Marine Resources that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. 141 and recommends its adoption.

Signed by all members of the Committee except Representatives Takumi, Garcia and Meyer.

**SCRep. 1583-00 Economic Development and Business Concerns and Labor and Public Employment on S.C.R. No. 18**

The purpose of this concurrent resolution is to urge military and federal agencies to honor the definition of "state resident" for the purpose of awarding contracts in Hawaii.

The Military Affairs Council of the Chamber of Commerce of Hawaii, the Hawaii Construction Industry Association, and the General Contractors Association of Hawaii testified in support of the measure. The Construction Industry Legislative Organization testified in support of the intent of the measure.

Your Committees recognize the need for military and federal agencies to give preference to state residents when awarding contracts in Hawaii, as this employment preference is critical to our State's economy. In adopting this concurrent resolution, it is your Committees' intent that section 8078 of the United States Defense Appropriations Act of 1986 is applied to federal contracts in Hawaii. Your Committees are aware that the focus of section 8078 is to employ local residents. Therefore, the inclusion of corporations, limited liability companies, partnerships, and other business entities in the definition of "state resident" should be ignored if it is inconsistent with the purpose and intent of section 8078.

Your Committees request that a copy of this committee report be transmitted with the certified copy of this concurrent resolution to appropriate federal and military contracting agents as stated in the measure.

As affirmed by the records of votes of the members of your Committees on Economic Development and Business Concerns and Labor and Public Employment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 18, S.D. 1, and recommend its adoption.

Signed by all members of the Committees except Representatives Herkes, Ahu Isa, Halford, Ito, Morihara, Nakasone, Okamura, Saiki, Suzuki and Takai.  
(Representatives Kaho'ohalahala and Rath voted no).

**SCRep. 1584-00 Judiciary and Hawaiian Affairs on S.C.R. No. 123**

The purpose of this concurrent resolution is to request the Department of Education (DOE) to review internal policy to ensure statewide compliance with existing laws requiring criminal history record checks for persons working with children.

Your Committee finds that criminal history record checks are vital to the protection of our youth. Your Committee believes that statutory provisions and departmental procedures relating to the DOE that are currently in place are not being followed. Your Committee further finds that noncompliance has resulted in the hiring of persons with questionable or inappropriate criminal backgrounds.

Your Committee believes that it is of the utmost importance that the safeguards already in place be followed and that this measure will ensure that our youth are provided with a secure learning environment.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 123, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Morita and Yoshinaga.

**SCRep. 1585-00 Judiciary and Hawaiian Affairs on S.C.R. No. 166**

The purpose of this concurrent resolution is to request that the Department of Education (DOE) and youth organizations access the website of the Hawaii Criminal Justice Data Center to obtain sex offender information.

Your Committee finds that the Criminal History Data Center is in the process of establishing a website that will enable the general public to quickly and easily access public sex offender registration information. Your Committee believes that this website will be of invaluable use to the DOE and to all youth service organizations.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 166, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Garcia, Hiraki, Morita and Yoshinaga.

**SCRep. 1586-00 Finance on S.C.R. No. 12**

The purpose of this concurrent resolution is to adopt key community outcomes of well-being for the people of the State of Hawaii.

The Department of Commerce and Consumer Affairs, Department of Health, Office of the Governor, Good Beginnings Alliance, and the Hawaii Performance Partnerships Board submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 12, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Kanohe, Marumoto and Meyer.

**SCRep. 1587-00 Finance on S.C.R. No. 26**

The purpose of this concurrent resolution is to request the Judiciary to study the feasibility of establishing drug courts on the islands of Hawaii and Kauai.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 26, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1588-00 Finance on S.C.R. No. 47**

The purpose of this concurrent resolution is to request the Auditor to review and identify fiscally-related powers conferred upon or assumed by the executive branch since 1987 that may be reclaimed by the Legislature.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 47, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1589-00 Finance on S.C.R. No. 57**

The purpose of this concurrent resolution is to request the Auditor to review and assess the Department of Education's development of educational standards for public schools statewide.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 57, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1590-00 Finance on S.C.R. No. 59**

The purpose of this concurrent resolution is to request the Ombudsman to investigate and obtain information regarding geographic exceptions granted by the Department of Education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 59, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1591-00 Finance on S.C.R. No. 60**

The purpose of this concurrent resolution is to request the Department of Land and Natural Resources to study the feasibility of establishing, assessing, and collecting user fees to offset the cost of maintaining Kokee State Park, Alakai swamp, Waimea Canyon State Park, and surrounding forest reserves on the island of Kauai.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 60, S.D. 1, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1592-00 Finance on S.C.R. No. 73**

The purpose of this concurrent resolution is to urge the United States Congress to support legislation to extend medicare coverage to prescription drugs for the elderly and disabled.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 73, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1593-00 Finance on S.C.R. No. 77**

The purpose of this concurrent resolution is to request the Department of Health to work with service providers and the Department of Land and Natural Resources to determine a reasonable rental fee to improve infrastructure on the Waimano training school and hospital grounds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1594-00 Finance on S.C.R. No. 116**

The purpose of this concurrent resolution is to request the Judiciary to promote excellence in the Judiciary through recognition of excellence, review of judicial performance, and public education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 116, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1595-00 Finance on S.C.R. No. 122**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to conduct a study concerning criminal history record checks.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 122, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1596-00 Finance on S.C.R. No. 129**

The purpose of this concurrent resolution is to request a study of unplanned releases of emissions and spills by facilities at Campbell Industrial Park.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129, S.D. 1, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1597-00 Finance on S.C.R. No. 131**

The purpose of this concurrent resolution is to request the Legislative Reference Bureau to evaluate the agriculture loan system in Hawaii.

The Board of Land and Natural Resources, Board of Agriculture, and the University of Hawaii submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 131, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1598-00 Finance on S.C.R. No. 143**

The purpose of this concurrent resolution is to:

- 1) Request the Department of Land and Natural Resources (DLNR) and the Hawaii Tourism Authority to discuss the conditions of selected State Park restrooms and determine the impacts caused by tourist usage; and
- 2) Request DLNR to convene a working group of representatives of involved agencies and citizen organizations to identify potential sources of permanent dedicated funding for the Natural Area Reserves System.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 143, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1599-00 Finance on S.C.R. No. 173**

The purpose of this concurrent resolution is to request the Public Utilities Commission to address and consider additional demand side management issues in related, pending, or new commission dockets.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 173, S.D. 1, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1600-00 Finance on S.C.R. No. 176**

The purpose of this concurrent resolution is to request the Office of the Governor to develop a proposal for a chief information officer for the State of Hawaii.

The Office of the Governor, Department of Commerce and Consumer Affairs, Department of Accounting and General Services, and the High Technology Development Corporation submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 176, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1601-00 Finance on S.C.R. No. 179**

The purpose of this concurrent resolution is to require the Public Utilities Commission to resolve avoided cost issues.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 179, S.D. 1, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1602-00 Finance on S.C.R. No. 183**

The purpose of this concurrent resolution is to request the Department of Business, Economic Development, and Tourism to conduct a study of the use of hydrogen as a fuel for transportation and power generation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1603-00 Finance on S.C.R. No. 204**

The purpose of this concurrent resolution is to request the Department of Health to conduct follow-up soil tests at Village Park and West Loch Fairways.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 204, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1604-00 Finance on S.C.R. No. 74**

The purpose of this concurrent resolution is to request all executive departments and agencies to submit reports to the Legislature on-line and request the Department of Accounting and General Services (DAGS) to study other means of reducing paper usage.

Testimony in support of this measure was received by the Department of Accounting and General Services.

Your Committee finds that the reduction of paper usage is a worthy goal for cost effectiveness and for environmental concerns. However, in the interest of receiving a comprehensive report and a viable set of recommendations, your Committee has amended this measure by extending the deadline for DAGS to December 1, 2001 in order to allow the department sufficient time to complete its analysis.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 74, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 74, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1605-00 Health on S.C.R. No. 196**

The purpose of this concurrent resolution is to hold the Department of Health (DOH) accountable for the well-being of patients transitioning from the Hawaii State Hospital to secured psychological rehabilitation facilities.

Specifically, this measure requests DOH to annually report to the Legislature, over the next three years, DOH's evaluation of the effectiveness of strategies to provide treatment and outreach to adults with serious mental illness to prevent homelessness, involvement with the criminal justice system, hospitalization, and other measures as defined by DOH.

The Hawaii Government Employees Association and an individual testified in support of this measure. DOH testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 196, S.D. 1, and recommends its adoption.

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

**SCRep. 1606-00 Health on S.C.R. No. 210**

The purpose of this concurrent resolution is to request the Department of Health (DOH) to work collaboratively with the Mental Health Association, community-based service providers, hospitals, and other stakeholders to develop a comprehensive care plan ensuring that appropriate levels of mental health treatment services are being provided to mentally ill persons at the Hawaii State Hospital using the recommendations of the Legislature's consultant, Dr. Richard Lamb, as a guideline.

The Hawaii Government Employees Association testified in support of this measure. DOH opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 210, S.D. 1, and recommends its adoption.

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

**SCRep. 1607-00 Higher Education on H.R. No. 32**

The purpose of this resolution is to request the Board of Regents (Board) of the University of Hawaii (UH) to:

- (1) Restrict the solicitation of students on campus by credit card companies; and
- (2) Offer consumer credit seminars as part of freshman orientation at UH.

The Representative from the Twenty-Seventh District supported this resolution. The UH supported the intent of this resolution.

Your Committee finds that this resolution addresses serious problems regarding the solicitation of college students at the UH by credit card companies, and the general lack of understanding on the part of many college students of the basic principles of credit. Many students compound the debt that they are incurring for tuition by spending indiscriminately with credit cards. However, your Committee also recognizes that the UH cannot legally restrict specific types of companies from soliciting on campus. Your Committee also feels that the scope of this resolution should be extended to include private college students.

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

- (1) Requesting the Board and local private colleges to study rather than adopt restrictive policies regarding the solicitation of students by credit card companies;
- (2) Requesting the Board and local private colleges to offer credit seminars as part of freshman orientation at UH;
- (3) Changing the title of the resolution to read: "REQUESTING THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII AND THE GOVERNING BODIES OF PRIVATE COLLEGES AND UNIVERSITIES IN HAWAII TO STUDY THE DIRECT SOLICITATION ON CAMPUS OF STUDENTS FOR CREDIT CARD ACCOUNTS AND TO OFFER CONSUMER CREDIT SEMINARS AS PART OF FRESHMAN ORIENTATION"; and
- (4) Transmitting certified copies of this resolution to the President of Brigham Young University, the President of Chaminade University, and the President of Hawaii Pacific University.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 32, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 32, H.D. 1.

Signed by all members of the Committee except Representatives Morihara, Okamura, Stegmaier and McDermott.

**SCRep. 1608-00 Finance on H.R. No. 96**

The purpose of this resolution is to request the Hawaii Space Grant College in conjunction with the University of Hawaii at Hilo, and the Department of Business, Economic Development, and Tourism to expand the space camp program on the Big Island.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 96, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1609-00 Finance on H.R. No. 130**

The purpose of this resolution is to request the Governor to appoint a citizens' advisory commission to review the State's Ala Wai Golf Course Revitalization Plan.

Your Committee finds that with any project with such potential impact for the residents of the neighboring community, it is imperative that an objective, unbiased entity be allowed to provide its evaluation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.R. No. 130 and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1610-00 Finance on H.R. No. 137**

The purpose of this resolution is to request the Department of Land and Natural Resources to work with service providers and the Department of Health to determine a reasonable rental fee to improve infrastructure on the Waimano training school and hospital grounds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 137, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1611-00 Finance on H.R. No. 166**

The purpose of this resolution is to request that plans be developed to identify possible locations for the John A. Burns school of medicine.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 166, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Catalani, Marumoto and Meyer.

**SCRep. 1612-00 Labor and Public Employment on S.C.R. No. 16**

The purpose of this concurrent resolution is to approve the compensation plans and the costs thereof, submitted by the personnel directors of the State, the Judiciary, the Hawaii Health Systems Corporation, and the counties, including the report published by the Public Employees Compensation Appeals Board (PECAB).

The Hawaii Government Employees Association and the Conference of Personnel Directors testified in support of this measure.

Sections 77-4 and 77-5, Hawaii Revised Statutes, require all personnel directors of the State, Judiciary, the Hawaii Health Systems Corporation, and counties to review and compile recommendations concerning the compensation plans for civil service employees for submission to PECAB each odd-numbered year.

PECAB completed hearings on adjustments to the compensation plans and submitted its report, "Report of Findings on Adjustments to the Compensation Plans" dated January 6, 2000, to the Legislature. Unless this concurrent resolution is adopted by the Legislature, the compensation plans, related costs, and the PECAB report cannot take effect on July 1, 2000.

As affirmed by the record of votes of the members of your Committee on Labor and Public Employment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 16 and recommends its adoption.

Signed by all members of the Committee except Representatives Hiraki, Okamura, Saiki and Rath.

**SCRep. 1613-00 Judiciary and Hawaiian Affairs on S.B. No. 2927**

The purpose of this measure is to clarify that the ten-day time period allowed for an agency to provide access to an individual's personal record commences with the agency's receipt of the request.

Testimony in support of this bill was provided by the Office of Information Practices.

Your Committee finds that this measure will eliminate uncertainty as to the schedule for responding to individuals' requests to review and have copies made of personal records.

As affirmed by the record of votes of the members of your Committee on Judiciary and Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2927, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Chang, Garcia, Yoshinaga, Pendleton, Thielen and Whalen.

**SCRep. 1614-00 Agriculture and Public Safety and Military Affairs on S.C.R. No. 21**

The purpose of this Concurrent Resolution is to urge the United States military to use Hawaii grown coffee on all military vessels.

DOA and the Senator from the 19th Senatorial District testified in support of this measure.

Your Committees find that Hawaii produces coffee on all major islands and it is one of our most rapidly expanding agricultural crop and value-added product. Your Committees also believe that, as the only state in the United States that produces coffee, Hawaii coffee growers and roasters can develop an all-Hawaii gourmet coffee that would satisfy military taste preference, enhance meal service on all military vessels and expose personnel from all over the world to this unique product.

As affirmed by the records of votes of the members of your Committees on Agriculture and Public Safety and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 21, and recommend its adoption.

Signed by all members of the Committees except Representatives Ahu Isa, Morihara, Suzuki, Halford and Pendleton.

**SCRep. 1615-00 Finance on S.B. No. 2112**

The purpose of this bill is to develop the economy and to improve the quality of life on the Waianae Coast by:

- (1) Appropriating funds to support the Waianae Coast Community Benchmarking Pilot Project (Project) and the Hawaii Community Services Council; and
- (2) Extending the duration of the Project for three years until June 30, 2003.

The Waianae Coast Coalition and a concerned individual testified in support of the bill. The Department of Business, Economic Development, and Tourism commented on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2112, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Catalani.

**SCRep. 1616-00 Finance on S.B. No. 2939**

The purpose of this bill is to ensure that the Department of Taxation (DOTAX) can meet the obligations of the Integrated Tax Information Management Systems performance-based contract by amending the amount of funds previously authorized.

DOTAX testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2939, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

**SCRep. 1617-00 Finance on S.B. No. 2499**

The purpose of this bill is to fund retroactive salary increases and other cost adjustments for fiscal year 1998-1999, which includes cost adjustments commencing January 1, 1998, for officers and employees of the following legislative agencies, which are excluded from collective bargaining:

- (1) The Office of the Auditor;
- (2) The State Ethics Commission (Ethics Commission);
- (3) The Legislative Reference Bureau (LRB); and



(4) The Office of the Ombudsman (Ombudsman).

This bill corrects a technical drafting error in Act 138, Session Laws of Hawaii 1999, which precluded the expenditure of fiscal year 1998-1999 appropriations for these agencies.

LRB, the Ethics Commission, and the Ombudsman testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2499, S.D. 1, and recommends that it pass Third Reading.

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