

## FORTY-SIXTH DAY

Thursday, April 3, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 12:10 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Representative Hermina M. Morita, after which the Roll was called showing all members present with the exception of Representative Pendleton, who was excused.

On motion by Representative Lee, seconded by Representative Meyer and carried, reading of the Journal was dispensed with and the Journal of the Twenty-Sixth and Twenty-Seventh Days were approved. (Representative Pendleton was excused.)

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 468 through 474) were received and announced by the Clerk:

Sen. Com. No. 468, transmitting S.C.R. No. 5, entitled: "SENATE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR THE MILITARY AFFAIRS COUNCIL OF THE CHAMBER OF COMMERCE OF HAWAII IN ITS EFFORTS TO IMPROVE THE QUALITY OF LIFE FOR MILITARY PERSONNEL STATIONED IN HAWAII," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 469, transmitting S.C.R. No. 27, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII CONGRESSIONAL DELEGATION TO ASK THE UNITED STATES DEPARTMENT OF JUSTICE TO CONSIDER AND REPORT WHETHER HAWAIIAN AND ALOHA AIRLINES CAN DISCUSS FLIGHT SCHEDULING TO BETTER ACCOMMODATE TRAVELERS," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 470, transmitting S.C.R. No. 29, entitled: "SENATE CONCURRENT RESOLUTION URGING THE STATE, COUNTIES, AND PARTICIPATING PRIVATE ENTITIES TO SUPPORT THE DEVELOPMENT AND ESTABLISHMENT OF AN OFFICIALLY RECOGNIZED URBAN SEARCH AND RESCUE TEAM IN HAWAII," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 471, transmitting S.C.R. No. 31, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII TO INVESTIGATE AND QUANTIFY ECONOMIC DIFFERENCES BETWEEN THE WORKING POOR AND FAMILIES ON PUBLIC ASSISTANCE IN FEDERAL LOW INCOME HOUSING," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 472, transmitting S.C.R. No. 94, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION DECLARING APRIL 9 AS "SAFE RETURN DAY" FOR INDIVIDUALS WITH ALZHEIMER'S DISEASE IN THE STATE OF HAWAII," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 473, transmitting S.C.R. No. 154, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE REVISION OF PUBLIC ASSISTANCE

FORMULAS," which was adopted by the Senate on April 2, 2003.

Sen. Com. No. 474, informing the House that the Senate disagrees with amendments proposed by the House to the following Senate Bills:

S.B. No. 295, S.D. 1, H.D. 1  
"RELATING TO MOTOR VEHICLE TOWING." (Towing; Counties Authorized to Regulate)

S.B. No. 394, H.D. 1  
"RELATING TO CONDOMINIUM PROPERTY REGIMES." (Condominiums, Liens for Maintenance Fees)

S.B. No. 678, S.D. 1, H.D. 1  
"RELATING TO INSURANCE." (Workers' Compensation; LLC; Partners; Sole Proprietors)

S.B. No. 687, S.D. 1, H.D. 1  
"RELATING TO LEAVES OF ABSENCE." (Public Service; Leaves of Absence)

S.B. No. 1200, S.D. 1, H.D. 1  
"RELATING TO CAPTIVE INSURANCE." (Captive Insurers: Financial Condition Statement; Applicability of Insurance Laws; Housekeeping)

S.B. No. 1361, S.D. 2, H.D. 1  
"RELATING TO PRESCRIPTION DRUGS." (Prescription Drugs)

S.B. No. 1589, S.D. 1, H.D. 1  
"RELATING TO NONPROFIT CORPORATIONS." (Nonprofit Corporations; Member termination, redemption, cancellation; Officer and director indemnification)

S.B. No. 1630, H.D. 1  
"RELATING TO NONPROFIT CORPORATIONS." (Nonprofit Corporations; Election of Directors; Mail Ballots Allowed)

S.B. No. 38, H.D. 2  
"RELATING TO THE HAWAII TOURISM AUTHORITY." (Hawaii Tourism Authority; Attorneys; Marketing; Registry)

S.B. No. 41, H.D. 1  
"RELATING TO PUBLIC CONTRACTS." (Public Contracts Disclosure; Hawaii Tourism Authority)

S.B. No. 319, S.D. 2, H.D. 1  
"RELATING TO COUNTIES." (Food Waste Recycling; County Requirements Established)

S.B. No. 337, S.D. 1, H.D. 1  
"RELATING TO THE MANAGEMENT OF SCHOOL FACILITIES." (Management of School Facilities; Repair and Maintenance Backlog)

S.B. No. 363, H.D. 1  
"RELATING TO EXPERIMENTAL MODERNIZATION PROJECTS FOR COUNTY BOARDS OF WATER SUPPLY." (Civil Service Experimental Projects)

S.B. No. 534, S.D. 2, H.D. 1  
"RELATING TO AGRICULTURE." (Agricultural Research and Outreach; Appropriation)

S.B. No. 1139, S.D. 1, H.D. 1

"RELATING TO FAMILY COURT." (Family Court; Surchage Increase for Parent Education)

S.B. No. 1154, H.D. 1

"RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS." (Hui'Imi Advisory Council; Reauthorization)

S.B. No. 1255, S.D. 2, H.D. 1

"RELATING TO AGRICULTURAL INSPECTIONS." (Agricultural certifications and audits)

S.B. No. 1306, H.D. 1

"RELATING TO TELECOMMUNICATIONS RELAY SERVICES." (Relating to Telecommunications Relay Services)

**DEPARTMENTAL COMMUNICATION**

The following departmental communication (Dept. Com. No. 47) was received by the Clerk and was placed on file:

Dept. Com. No. 47, from Warren Daspit, Chair of the 2002 Legislative Salary Commission, transmitting their report, Legislative Salary Commission 2002: A Report to the Legislature and Governor.

**INTRODUCTIONS**

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

Representative Takumi introduced student members of the Vocational Industrial Clubs of America and their advisors from Oahu and the Neighbor Islands.

Representative Hale introduced honorees who had received a certificate of appreciation for their work in their communities:

Ms. Maring Gacusana, Vice Principal of Pahoehoe High School; her father Mr. Venancio Gacusana; and a delegation of friends from Puna;

Dr. Pieper Toyama, Principal of the new Pacific Buddhist Academy; and the Board of the Pacific Buddhist Academy: Mr. Fred Nonaka, Chair and President of Honpa Hongwanji Mission of Hawaii; Dr. Fujio Matsuda, Vice Chair; Bishop Chikai Yosemite, Bishop, Honpa Hongwanji Mission of Hawaii, and his wife Mrs. Chikai Yosemite; and Dr. Margaret Oda, Hongwanji Living Treasure; and

Ms. Francine Dudoit-Tagupa, nurse practitioner, and her friends and family.

Representative M. Oshiro introduced members of the Hawaii Massage Therapists Association and the American Massage Therapists Association: Ms. Mahana Byington, Mr. Dustin Ebesu, and Mr. Nathan Okuma.

Representative Ching introduced Rabi Avi Magid of Temple Emanu-El.

**ORDER OF THE DAY**

**COMMITTEE ASSIGNMENTS**

The following Senate Concurrent Resolutions were referred to committee by the Speaker:

**S.C.R.**

**Nos.      Referred to:**

- 5            Committee on Public Safety and Military Affairs
- 27,        Committee on Transportation, then to the  
SD 1        Committee on Consumer Protection and  
Commerce
- 29        Committee on Public Safety and Military Affairs,  
then to the Committee on Finance
- 31        Committee on Human Services and Housing, then  
to the Committee on Finance
- 62        Committee on Consumer Protection and  
Commerce, then to the Committee on Finance
- 94,        Committee on Health  
SD 1
- 96        Committee on Human Services and Housing
- 106       Committee on Consumer Protection and  
Commerce
- 154,      Committee on Human Services and Housing, then  
SD 1       to the Committee on Finance

**COMMITTEE REASSIGNMENTS**

The following Senate Bill was re-referred to committee by the Speaker:

**S.B.  
No.        Re-referred to:**

- 614,      Committee on Judiciary  
SD 1

The following resolution and concurrent resolutions were re-referred to committee by the Speaker:

**H.R.  
No.        Re-referred to:**

- 165      Committee on Health, then to the Committee on  
Finance

**H.C.R.  
No.        Re-referred to:**

- 72        Committee on Legislative Management, then to the  
Committee on Finance
- 213      Committee on Health, then to the Committee on  
Finance

**S.C.R.  
No.        Re-referred to:**

- 33,        Jointly to the Committee on Energy and  
SD 1        Environmental Protection and the Committee on  
Consumer Protection and Commerce and the  
Committee on Judiciary

**INTRODUCTION OF RESOLUTIONS  
(FLOOR PRESENTATIONS)**

The following resolutions (H.R. Nos. 200 and 201) were announced by the Clerk and the following action taken:

H.R. No. 200, entitled: "HOUSE RESOLUTION COMMENDING THE FOUNDERS OF THE MILITARY YOUTH ADVISORY COUNCIL FOR DEVELOPING AN INNOVATIVE COMMUNICATION SYSTEM BETWEEN RADFORD HIGH AND ITS COMPLEX OF SCHOOLS AND THE MILITARY COMMUNITY," was jointly offered by Representatives Finnegan, Wakai, Evans, Moses, Hale, Leong, Ontai, Abinsay, Kahikina, Arakaki, Morita, Tamayo, Ito and Takumi.

Representative Finnegan, moved that H.R. No. 200 be adopted, seconded by Representative Wakai.

At this time, Representative Finnegan gave a brief background of the Military Youth Advisory Council and what it's impact on the schools as well as the community.

Representative Wakai then introduced the following honorees who were seated on the floor of the House:

Mr. Robert K. Stevens, Principal of Radford High School;

Ms. Pua'ala McElhaney, former Vice Principal of Radford High School, currently the Principal of Enchanted Lake Elementary School;

Lt. Colonel Robert E. Pote, former Base Commander of Fort Shafter, who was represented by Lt. Colonel Thomas Webb, Commander of the Oahu Base Support Battalion; and

Colonel David Tom of the Pacific Command, Camp Smith, a committed member to the council and former Officer-in-Charge of the Federal Grant that bought computer labs to the Radford Complex schools.

The motion was put to vote by the Chair and carried, and H.R. No. 200 was adopted with Representatives Nakasone and Waters being excused.

H.R. No. 201, entitled: "HOUSE RESOLUTION HONORING CHIUNE SUGIHARA FOR HIS SELFLESS ACTS, DECENCY, AND HUMANITARIAN DEEDS IN THE FACE OF ADVERSITY DURING WORLD WAR II THAT SAVED THOUSANDS OF INNOCENT LIVES FROM THE SLAUGHTER OF THE HOLOCAUST," was jointly offered by Representatives Morita and Lee.

Representative Morita, moved that H.R. No. 201 be adopted, seconded by Representative Lee.

Representative Morita gave a brief background on the late Mr. Chiune Sugihara and then introduced the honoree's widow, Mrs. Yukiko Sugihara, who was seated on the floor of the House.

At this time, Representative Lee introduced those who were accompanying Mrs. Sugihara and seated on the floor of the House:

Mr. Chiaki Sugihara, son of Chiune and Yukiko Sugihara;

Ms. Anne Akabori, Volunteer Executive Director and Chair of the Visas for Life Foundation;

Mr. Eric Saul, Project Director for the Visas for Life Foundation; and

Ms. Arlene Balkin of Shaul Levy and Associates, who brought Mrs. Sugihara to Hawaii.

Representative Lee then introduced the following friends and supporters of the honoree, who were seated in the gallery:

Mrs. Yoshie Tanabe, who requested this presentation, and her husband Mr. Jim Tanabe;

Rabbi Avi Magid from Honolulu's Temple Emanu-El; and

Members of the Japanese American Citizens League.

The motion was put to vote by the Chair and carried, and H.R. No. 201 was adopted with Representatives Nakasone and Waters being excused.

At 12:44 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:10 o'clock p.m.

#### SUSPENSION OF RULES

On motion by Representative Lee, seconded by Representative Fox and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Caldwell, Chang, Ching, Kawakami, Kanoho, Morita, Pendleton Schatz and Waters were excused.)

#### UNFINISHED BUSINESS

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1266) recommending that S.B. No. 540, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 540, SD 1, HD 2, pass Third Reading, seconded by Representative Lee.

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

Representative Abinsay's written remarks are as follows:

"Mr. Speaker, I rise to speak in strong support of Standing Committee Report No. 1266, Senate Bill No. 540, SD1, HD2.

"The purpose of this bill is to appropriate funds for agricultural research and development. This bill appropriates \$2.5 million for fiscal year 2003-2004, and \$2.5 million for fiscal year 2004-2005 for research and market development. This bill also appropriates funds for pineapple research, which is incorporated in Part II of this bill.

"Last month, the House approved H.B. No. 1434 requesting the same appropriation for research and market development, and funding for pineapple research was also approved in a separate House Bill No. 155.

"Mr. Speaker and colleagues, I would like to again emphasize the importance of diversified agriculture in Hawaii. Diversified agriculture is a key component and a major contributor to our economy. And yet, for as long as I have been the Chair of the Agriculture Committee, every year, I see dramatic reductions in funding for agricultural projects, particularly in research and market development.

"Both research and market development are necessary to develop more profitable and sustainable businesses. They are essential to the success of diversified agriculture in Hawaii because the knowledge gained through research helps producers and farmers increased their harvest. It gives them informed choices as to what crops and which variety to plant, where to plant them, and how to protect them from pests. Market developments compliment research by expanding the consumer's base that know and value Hawaii's unique agricultural products.

"The Hawaii Agriculture Research Center (HARC) has been doing a tremendous job partnering with private companies in advancing agriculture through research and development. The College of Tropical Agriculture and Human Resources (CTAHR) at the University of Hawaii is another major partner in agriculture research. They are the chief collaborators in the industry right now along with the Hawaii Farm Bureau who plays an important role as the voice of the farmers, ranchers, and other agricultural producers.

"The Legislature in the past has always supported agriculture. Let us continue to pledge our support by supporting funding for research and market development as provided for in Senate Bill 540. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 540, SD 1, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND DEVELOPMENT," passed Third Reading by a vote of 43 ayes, with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1267) recommending that S.B. No. 789, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 789, SD 1, HD 2, pass Third Reading, seconded by Representative Lee.

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in favor of Senate Bill No. 1286, House Draft 2, Relating to the Housing and Community Development Corporation of Hawaii.

"This bill would transfer administrative responsibility for the Housing and Community Development Corporation of Hawaii from the Department of Business, Economic Development, and Tourism to the Department of Human Services.

"During the public hearing on this measure, all of the major "players" involved testified in support. These included, HCDCH, the Department of Business, Economic Development and Tourism, the Department of Human Services, the Department of Human Resources Development and the Hawaii Government Employees Association.

"While I acknowledge that there is sufficient public support for this Administration measure, I would like to voice some concerns. The Chair notes that over the past twenty years, HCDCH, and its precursor, the Hawaii Community Development Authority, has been transferred three times:

- To the Department of Business, and Economic Development pursuant to Act 239, Session Laws of Hawaii 1983;
- To the Department of Budget and Finance pursuant to Act 26, Session Laws of Hawaii 1989; and most recently,
- Back to the Department of Business, Economic Development and Tourism pursuant to Act 350, Session Laws of Hawaii 1997.

"Throughout the history of HCDCH, it would seem that the Legislature and the Administration have developed varied positions on the agency most appropriate for HCDCH to be attached. In 2003, it would seem the most appropriate agency would be the Department of Human Services.

"Over the years, HCDCH and HCDA have been heavily criticized for its inability to provide for the needs of their intended clients. A large part of this criticism stemmed from a lack of adequate resources and staffing, while some must be attributed to the lack of consistent administrative leadership within the agency.

"I agree with the intent of this measure. If the transfer of HCDCH will improve the quality of services provided to the neediest of our community -- the poor, the indigent, and their children and families -- I will not stand in the way of its enactment.

"I bring this up only to show that changing the department to which the agency will be attached has already been tried many times, and yet we still have many of the same problems we faced twenty years ago. It is my hope that this transfer will truly provide our low-income citizens and their families with the desperately needed relief they deserve.

"For this reason, and this reason alone, I urge your favorable consideration of this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 789, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEE HEALTH BENEFITS," passed Third Reading by a vote of 42 ayes to 1 no, with Representative Stonebraker voting no, and Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1268) recommending that S.B. No. 1279, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1279, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," passed Third Reading by a vote of 43 ayes, with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1269) recommending that S.B. No. 1381, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1381, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM," passed Third Reading by a

vote of 41 ayes to 2 noes, with Representatives Stonebraker and Thielen voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1270) recommending that S.B. No. 1495, SD 1, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1495, SD 1, HD 1 pass Third Reading, seconded by Representative Lee.

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

"On 1270, just briefly. I rise in support. I think it is a good idea. I am just concerned that the DLNR said that there is no money and it will affect our financial plan."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1495, SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII DROUGHT PLAN," passed Third Reading by a vote of 43 ayes, with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1271) recommending that S.B. No. 205, SD 3, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 205, SD 3, HD 2, pass Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. I rise in opposition to this measure. The purpose of this bill is to facilitate stronger parental involvement in the children's education. That is a good purpose, but this bill codifies in law paid time-off for conferences for children from kindergarten to twelfth grade.

"The problem I have with this is that this really is something that should be handled in collective bargaining. If somebody had 4 children, the bill as written, allows for four conferences per year, per child -- two hours off for those conferences. So that is one whole day in a calendar year for 1 child. And if you have 4 children, that is 4 days off, in addition to the pretty generous time off that the State offers employees now. (Again, looking at the financial situation we are looking at this year and the fact that this really shouldn't be done by statute, I don't believe.) We have collective bargaining. This is something that should be handled in that venue. So for those reasons, I can't support the bill. Thank you."

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

"Thank you, Mr. Speaker. I also rise in opposition for many of those same things that were all ready stated. I am just adamant. I believe all of these things should be collective bargaining. And I do have 4 children in school so I would be one of those to benefit from this possibly. Thank you."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. I think a couple of points are that collective bargaining agreements only apply to those who are within the bargaining units. Excluded exempt employees are not covered. Mr. Speaker, this bill H.B. 205, HD 2 would provide the following:

"One. It would require public employers to provide at least two hours of paid leave during normal business hours to attend either a mutually scheduled parent-teacher conference for the employee's minor child or mutually scheduled parent-caregiver conference for pre-school aged children attending a licensed care home.

"Two. This bill also clarifies that the employee may take leave for no more than 4 mutually scheduled conferences per child in a calendar year, basically 1 per quarter. And clarifies that travel time be included as part of the two hours permitted for each conference.

"To address the concerns of some of the prior speakers.

"Three. It clarifies that the provision for paid leave does not adversely interfere with the operations of the work unit, nor require the applicable agency to incur additional human resources for overtime costs."

"Thank you, Mr. Speaker."

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

The Chair then stated:

"Members, the votes that you are recording could be submitted to your Majority Floor Leader or Minority Floor Leader. That is why you have your pink slips. This is Third Reading and this is for all of us to learn."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 205, SD 3, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Third Reading by a vote of 37 ayes to 6 noes, with Representatives Finnegan, Jernigan, Meyer, Moses, Ontai and Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1272) recommending that S.B. No. 611, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 611, SD 1, HD 2, pass Third Reading, seconded by Representative Lee.

Representative Waters rose to disclose a potential conflict of interest, stating:

"I recently have been placed on a court-appointed list. This is in regards No. 1272," and the Chair ruled, "no conflict."

Representative Waters continued in support of the measure, stating:

"In that case, may I rise in support? It is a good idea. Thank you."

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

"Because of my colleague, now I have reservations. No, Mr. Speaker. I have reservations on this because Budget and Finance indicated it would cost about \$3.63 million dollars. And again we have financial difficulties."

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

"Mr. Speaker, I will be voting no on this. While in the testimony in favor of this, one of the reasons was that these court-appointed attorneys had not had a raise since 1987. I think the same could be said for Representatives and Senators. There was an argument that they should try to get closer to what the federal court-appointed attorneys were getting. That would be quite something if we did it in our case. Thank you."

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

"Mr. Speaker, I rise in support of this measure. The reason why it is very important to us to support this measure is that to encourage attorneys such as Representative Waters who are competent to defend a particular defendant. It is very, very hard. I am not on the court-appointed list. It is very hard for other attorneys to redo the work that some attorneys who are on the appointed list, who are supposedly border line, to redo it again. It is really more expensive for the State. It is cheaper to do it right the first time than to redo it, and that is exactly what's happening. Because the pay is so cheap, you won't attract the best. That is really the argument behind all this. It does save us money in the long run."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 611, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COURT APPOINTED COUNSEL," passed Third Reading by a vote of 36 ayes to 7 noes, with Representatives Ching, Fox, Jernigan, Leong, Meyer, Ontai and Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1273) recommending that S.B. No. 768, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 768, SD 1, HD 2, pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I rise in opposition to this. This is a measure to reinstate binding arbitration. I would want to encourage all the Members, the Legislators that were elected by the votes and the confidence and trust with the people of Hawaii. We were elected to manage the money, to pull the purse strings especially in the House side. And to reinstate binding arbitration, in my opinion, is to give that authority, to give that trust and to give that responsibility away to somebody whose major goal in life is to give the highest rates, the highest settlement possible. And what this is going to do is it is going to drive up cost further, to allow for the right to strike for these collective bargaining units is the way to go. And to go back on this, I believe, is a mistake. I would encourage all of my colleagues to vote against this."

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

"Mr. Speaker, I am going to vote no on this measure. I don't think all these workers should give up their sacred right to strike. Thank you."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support. Mr. Speaker, I hope the Members on the floor have a chance, and maybe should take the time to read the bill. This bill does two things. It reinstates collective bargaining -- binding arbitration for six public employee unions. What it also does, because the Labor Committee amended it pursuant to a request by Director Watanabe from DHRD, is reinstate the essential worker provision in Chapter 89.

"As you may recall Mr. Speaker, in 2001, this Legislature passed Act 90. Act 90 did a couple of things. One thing it did was to change the right to arbitrate, to a right to strike for these 6 units. And these are HGEA units. It is also repealed the essential worker provision. And the third thing it did was allow for privatization. So this measure before us, S.B. 768, HD 2, would reinstate what existed back in 2001, on both sides for the employees and the employers.

"This measure would prevent the disruption of public services and programs in the event of an impasse between the public employer and the exclusive representative, by reinstating final and binding arbitration for employees in collective bargaining units 2, 3, 4, 6, 8, and 13. Just for the Members' edification, these six units comprise about 40% of the State and county workforce.

"In 2001, the Legislature enacted Act 90 and the key component again was to reinstate the right to strike for these units. The quid pro quo at the time in the negotiations with the employer and the employees was that in order to make any right of strike effective and meaningful for the employees, we would have to curb the abuses that could occur under the guise of the essential worker provisions. So that is why in 2001, under Act 90, we repealed that language.

"So as it currently reads on the books today, and you can check it, there is no essential worker provision. What this means Mr. Speaker, is that if there should be a strike on July 1, 2003, because these six bargaining units cannot settle their contracts, about 40% of our workforce would walk off the job. The employers, both the State and counties, would have no legal authority or ability to call them back in to man their post and provide their services. That is what is at stake here.

"Mr. Speaker, now we have a new Administration who is coming in and per the discussion we had in the Labor Committee, requesting that the essential worker provision be reinstated into the statute. So we made the accommodation in this bill Mr. Speaker, and we got it out of Labor Committee and it is still in its present draft. It is an important component that was requested by this Administration. They argued that the right to strike will have enormous ramifications to those positions that are currently required to go to mandatory arbitration such as police.

"Mr. Speaker, just to remind you of one. The Honolulu Police Department testified in support of this measure and they reminded us that should there be a strike, 911 operators, radio technicians, auto mechanics and other dispatchers would not be employed. Basically, it would shut down the operations of the police and possibly the emergency medical systems. Other people who might be affected by this would be Board of Water Supply Water Technicians ..."

Representative Nakasone rose to yield his time, and the Chair "so ordered."

Representative M. Oshiro continued, stating:

"Child abuse counselors, lifeguards, health aides, restaurant inspectors, meat inspectors, counselors, meteorologists, and just about everyone else that we normally rely upon. Mr. Speaker, may I remind everyone that last year during the teachers' strike, the community and all of our constituents were immediately impacted by teachers going on strike. A component of those people who were at the schools were some of these members who will be impacted by this law and they were there to provide counseling services pursuant to the *Felix* Consent Decree. Again, they will not be able to be brought back into the workforce.

"Mr. Speaker, in order to maintain the balance between the employees and the employers, if we are going to bring back the essential worker provision, it is only fair, it is only proper that we bring back the right to arbitrate for these six collective bargaining units. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In opposition. Good speech from the Chair, but the problem is the essential worker item should not have been bundled with binding arbitration. If we are going to bundle anything, we should bundle binding arbitration with the definition of what they have to do to actually arbitrate in good faith, because they don't now.

"We've had instances where at the very last minute, the collective bargaining unit or the bargaining unit in this case, anyway, would come in with their demands at a very short notice so that the State couldn't even go look at their books. They didn't have time to respond. And that is very late, very far past the deadlines, and then you have nothing you can do.

"You have this arbitrator from the mainland that comes in and what does he say? Well he says, "Well let's compromise." Well compromise isn't always the best thing. Sometimes you have to actually look at the books and see where the money is coming from, and we don't allow that. And I think it is the right of the bargaining units to be able to go out on strike.

"Yes, we need to identify those that are essential. And the Chair was correct when he said that HPD testified in support. I don't believe anybody else did. And HPD said we have to identify essential workers. For instance, does this include the telephone operators, the radio dispatchers, does it include everybody? Or is it just the officers on the street? That should be clarified. But I don't think this is the way to do it, Mr. Speaker."

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

"Thank you, Mr. Speaker I rise in support. Mr. Speaker, I spent many, many years in labor negotiation on the employer's side of a major hotel company. I've been through mediation. I've been through arbitration. I've been through strikes. I've been through grievances. Nobody ever wins a strike, in my view.

"In the labor negotiation, your original demands on the workers' side, to come in with wild demands. And on the employers' side, you come in with wild restrictions on work rules and so on and so forth, and hopefully you arrive at some compromise at the end.

"In binding arbitration Mr. Speaker, both sides have to be very, very careful of the offer that they put on the table because the arbitrator will take the most realistic position. And I support this bill on the basis of my experiences with labor negotiations. Thank you."

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

"Thank you, Mr. Speaker. I rise in opposition to this bill. The Chairman of Labor said that they, Executive Office of the Governor, was in favor of this. Well, the information that I see is that the Executive Office of the Governor was opposed, the Office of Collective Bargaining was opposed. The Department of Human Resource Development was opposed. The Department of the Attorney General was opposed. There was one reference that the Executive Office did say that they would be in favor of a limited right to strike, whereas the example of the 911 operator could perhaps be exempt as being essential employees. We haven't even given the bill that we passed a few years ago a chance to work.

"Mr. Speaker, the one thing that a strike does is it produces a fair outcome because both sides have something to lose. When you go back to binding arbitration, historically, it is shown that the employees never lose. The salaries just get ratcheted up. The person who is responsible for that is this, so-called neutral arbitrator who comes from the mainland, he doesn't have to be accountable. He is not elected. Nobody can go after him. He just arrives in town and is charged with making the decision, helping the sides get together.

"At the very least, we should not touch this bill. I think it does make a lot of sense that if people are truly very, very unhappy, they are willing to give up something they are so unhappy they are going to strike. And it is not like the employer doesn't lose because the employer, if suddenly people can't get certain services, that bodes badly on the employer and on the State. So they are under the pressure to try to get an agreement. But with the binding arbitration, it simply favors the union, where they can just be as unreasonable as they want or not even come to the table and figure they've always done pretty well with binding arbitration and they are happy to do it, and it makes their job a lot easier. Thank you, Mr. Speaker."

Representative Takai rose in support of the measure and asked that the remarks of Representative M. Oshiro be entered in the Journal as his own, and the Chair, "so ordered." (By reference only.)

Representative Takai continued, stating:

"The bill, like he says, does two things. It reinstates binding arbitration for certain bargaining units, which I believe is very good. And it defines the essential worker provision, also another good provision.

"The Labor Chair mentioned Act 90 in 2001. In fact Act 90 was S.B. No. 1096, and on the 59th day of the 2001 Session there was this gentleman, Representative Takumi, our current Chairman of Education who spoke in opposition to that bill. I'd like to read from the Journal because I think it provides a perspective as to why we are here today, what we are doing, and why it's so very important that we do this, and I quote.

"He says,

This bill gives the right to strike back to certain bargaining units, and at first glance, this doesn't seem like a bad idea. After all, the right to strike is really a basic principle when it comes to collective bargaining. But the problem though is that the bargaining units themselves don't want this right

back. I think we all realize and remember the 1994 strike and at that time both parties agreed to go with final and binding arbitration. And I repeat: both parties agreed at that time. Now the ... realization in 1994 just as there was over the past month that no one wins in a strike. No one. Everyone from the Governor on down agreed with this, and yet this bill gives back the right to strike to parties that doesn't want it.

"He continues:

It also repeals the essential worker provision. Now let's give some thought to that, repealing the essential worker provision. All that means is that every single State and county worker is not longer essential. What will this mean? You take the airport, Mr. Speaker. The ramp controllers at the airports are in the union. They don't have to go to work when there is a strike. Now I don't know about you, but when my plane lands at the airport and I step off the plane, I want to get onto the ramp. It's a long drop. It is not the drop that hurts you; it's the sudden stop at the bottom.

"I think people remember that speech.

The tower operators at the harbors; deputy sheriffs, court clerks and bailiffs; 911 operators, lifeguards; education assistants, speech, physical and occupational therapists, principals, cafeteria managers and workers, audiologists. As for businesses, what would be impacted by a strike are the general conveniences: business registration permits, motor vehicle registration and the like, obviously, would be shut down. Why then are we going down a "no win" path, especially in light of the fact that the union does not want this. In order for this to work, it really takes both parties to agree, and by our actions we are saying that we don't care whether or not the parties agree as to whether or not this is a good idea. I don't believe this is a fair approach and I don't believe that this is a way that we should do good policymaking.

"And I agreed back then, and I agree today. Thank you, Mr. Speaker."

Representative Stonebraker rose to respond, stating:

"Brief rebuttal, Mr. Speaker. I am still in opposition but appreciate the speeches however. Here are our options: binding arbitration, or right to strike. Collective bargaining units, these six here include education officers. Educational officers, we noticed in an audit by the Auditor a couple of years ago the Administration was said to be 30% oversized. So here is a collective bargaining unit that the Auditor has said is 30% oversized. And so what this legislation does is it takes the power from our hands as elected officials, democracy, and gives it into the hands of the bureaucrats, the bureaucracy. And so all we hear are speeches on, well this is what the unions want. Well this is what the unions want. Let's give the power to the unions. Let's cede our power and our authority to the unions. The power and the authority belongs to the people of Hawaii, not the powerful special interest lobbying units like the unions.

"So what we are talking about here Mr. Speaker, is are we going to send our State into a bureaucracy, a further bureaucracy, union run and union dominated, as some of my colleagues would propose? Or would we take that power back and give it to the people and function as our job as elected officials, as legislators. And by voting no on this bill that is exactly what you are doing. By voting yes you are saying, "Give the power to the unions. I am just a paid pawn." Thank you."

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

"Thank you, Mr. Speaker. I rise to speak in support of the measure. Mr. Speaker, I guess I am a bit concerned about how collective bargaining, or this measure, has been characterized on this floor. Because I don't think its about favoring one party or the other. If we really look at collective bargaining, if we really look at what is in the best interest of the people of Hawaii, I would submit it is stability. It is labor of peace. That should be the goal. And while we can characterize this as tactically helping one party or the other. I think it lends nothing to the process of collective bargaining. Because at the very heart of collective bargaining has to be trust. Because if that trust is not established, we all suffer. We, the people of Hawaii suffer. And I think there are some real examples that the Labor Chair pointed out that have occurred that we can look at and really learn from.

"I guess the whole characterization of how it is inappropriate to bundle essential workers provisions and binding arbitration. That is of concern too because I think we have to speak with a clear understanding of the collective bargaining process. And when the bill was first modified, when the law was first changed several years back, basically the essential worker provisions were eliminated from the Hawaii Revised Statutes. The reason for that was we went and adopted a private sector model.

"In a private sector model, if there is a strike, there's a strike. You have no exceptions as to which workers can go back to work and which ones cannot. Whether that is right, whether that is wrong, you know that is what existed in the private sector. That was the basis for the changes that were implemented. However, I do think that the Labor Chair did point out that when you discuss essential worker provisions, you are talking about public health and safety ..."

Representative Fox rose to a point of order, stating:

"Point of order. Is it possible for the speaker to get a new mic? It really sounds bad on this side."

The Chair addressed Representative Takamine, stating:

"Representative Takamine, could you please use Vice Chair Kawakami's mic? Your point is well taken, Representative Fox."

Representative Takamine continued, stating:

"Thank you. But with respect to essential workers, that is part of our responsibility to provide for the public safety and health.

"I just want to cover three other points real quickly, Mr. Speaker. That is with respect to stability, with respect to disruption in government services, whether at a time of war or not, I think we have clear examples of that. We just saw the impact of a nurses' strike that went on through several weeks. We saw the impact on the public. We saw the impact on patients. We saw the impact on our health institutions. In contrast to that is a binding arbitration process that Unit 9 is going through currently. And it think that is a demonstration of what some of the benefits in the measure before us do provide.

"At the same time though, we need to be concerned about cost. And certainly I've learned that from you Mr. Speaker, by being put into the position of Finance Chair. And I think we need to remind ourselves that again, it is neither binding arbitration or a strike. I mean these are mechanisms to resolve a dispute. These are mechanisms to resolve the situations when



the parties themselves cannot agree. The goal has to be for the parties themselves to have a reasonable, to have an ongoing relationship that is based on trust and that would best protect the people's interest.

"But there are cost concerns to either process. Whether you talk about binding arbitration, or whether you talk about a strike. Because in a strike situation, and I believe the Labor Chair pointed to again, the recent situation with the teachers. There were costs that came out of that and there were costs that the State had to absorb. In light of the foregoing points, I will be supporting the measure, Mr. Speaker. Thank you."

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

"I rise in support of this measure. I have a couple of brief comments. The first is that perhaps that some of the opposition that we've heard on the floor today reflects misunderstanding of the arbitration process, as well as the collective bargaining process in general. Or maybe even worse yet, it is a mistrust or lack of confidence in the Executive's ability to handle labor disputes. I think to begin with, it is important to note that contrary to the statements ..."

Representative Fox rose to a point of order, stating:

"Point of order. I am sorry, but that last point gets to motive."

The Chair addressed Representative Fox, stating:

"What was the last point to the motive?"

Representative Fox: "The thinking of where the Executive branch is coming from on the issue. As opposed to facts of the matter."

Speaker Say: "The Chair will allow Representative Saiki to continue. And maybe you can share with us if there is a motive in your presentation to this Chamber."

Representative Saiki continued, stating:

"Mr. Speaker, the point that I am trying to make is that the arbitration process really is one that levels the playing field between workers and the Executive, and it begins at the arbitration panel level.

"There have been some comments on the floor this morning to the effect that the arbitrator is not neutral. That it is a stranger that is someone who is partial to one side or the other. That is not the case. Existing law already provides that the arbitration panel consists of three members. One of the members is appointed by the employees, one is appointed by the Executive, and the third member who serves as Chair is appointed by the mutual agreement of the two sides. So it is really an even playing field at the outset. The arbitration panel takes into consideration the position statement submitted by both sides, the Chair and the panel members make a decision based on those submissions.

"The second point is that the arbitration process still contains the safeguard for cost containment. The arbitration will basically govern only over salary increases. There are other significant employee costs that are not covered by the arbitration panel and that basically relates to the cost of medical premiums. Medical benefits for active workers. As we have seen in recent years the cost of medical premiums has been one of the more significant cost factors for the State and the counties. This cost item is still subject to collective bargaining. It is still subject to negotiations between the Executive and the

unions that are within the arbitration process. So there is still an opportunity for the Executive to hold the line in an event that there is a salary increase to compensate for that by mitigating the amount of the health fund increases. So for these reasons I stand in support of this measure."

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

"Mr. Speaker, I thank you in support please. I wanted to observe that the previous two speakers have been very instructional and educational regarding facets of strike and arbitration. It was just a couple of years ago Mr. Speaker, that this Body we had arbitration. This Body, the majority of this Body voted in favor of going to strike. Many of those same Members are now voting to go back to arbitration. The previous two speakers included. I take it with a grain of salt Mr. Speaker, that they are so profound in newfound wisdom.

"I would like to, for background Mr. Speaker, explain why I support this. In fact, I wouldn't take the amount of time for this Body to explain why I support arbitration. Back in 1994 I campaigned for arbitration. We had a strike. At that time, none of the unions were asking for arbitration. I perceived it as a better method of doing business when I was, fortunately for me, I was elected and pursued the issue. And talked to the unions about the possibility of looking at this as a way to go. I been supportive of arbitration from day one, and I am not interested in changing my tack midstream. But this is an issue that has flip-flopped in this Body, and I think it doesn't speak well for this Body. Thank you."

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

"Mr. Speaker, I rise in support of this measure. As your Vice Chair for your Committee on Economic Development and Business Concerns, I have some real concerns about shutting down government over a labor dispute. All government workers are tasked with doing the peoples' work and the public has every right to demand that they live up to their responsibilities. When teachers and UH professors walked off the job two years they got their raises ..."

Representative Fox rose to a point of order, stating:

"Point of order, Mr. Speaker. The roles of the teachers and the professors is not at issue in this discussion."

The Chair responded, stating:

"I believe the role of the teachers and professors is a point of contention because they are also part of the collective bargaining process, and this particular measure addresses the different units. The University of Hawaii ..."

Representative Fox: "Point of order, Mr. Speaker. We aren't discussing UHPA and HSTA bargaining units."

Speaker Say: "But we are addressing units, Members, that affect the Department of Education and the University of Hawaii. Please proceed."

Representative Wakai continued, stating:

"Thank you, Mr. Speaker. What I was trying to get at though is that after that labor dispute, really how was the public interest furthered. From the business stand point and economic fallout from the second Gulf War is still being assessed. And as we get those facts and figures in, we as lawmakers have a duty to protect our vital interest, mainly local businesses having customers and families who need paychecks.

"And what about the tourism industry? A strike by airport agriculture inspectors could cripple much-needed travel to our islands. And how about police radio dispatchers, and lifeguards? If we let them walk on a picket line would tourist or even ourselves feel safe in our community? And as new Member of this Body, I don't understand all this talk about essential government services. Isn't all government services essential? If not, we should get rid of it. Collective bargaining, as well as law-making, is compromise. I believe this bill is a fair way to satisfy the needs of both employer and employee. Thank you."

At this time, the Chair announced:

"Members, we've had a lot of discussion. The Chair will allow Representative Moses one final rebuttal, as far as this is your second time."

Representative Moses rose to respond, stating:

"Thank you Mr. Speaker this is my second time. I am still in opposition. I just have to state, you know, through the debate I am hearing all these things that the people should demand this, and they deserve these services. They also deserve to be able to live and feed their families. So maybe what we should do is every time we are talking about a pay raise, arbitrated or strike, or whatever, we go back to the people and say do you want your taxes raised. Because the point is if the government cannot afford it without raising taxes, then I think the people are concerned and say, "Hey, we don't want the lifeguards ..."

Representative Saiki rose to a point of order, stating:

"Point of order. If the Representative could confine his comments to the measure before us."

The Chair then stated:

"Okay Members. The Chair has called for the question at this point, so the Chair recognizes Representative Lee for all measures that are on these pages."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 768, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," passed Third Reading by a vote of 34 ayes to 10 noes, with Representatives Blundell, Finnegan, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Kawakami, Morita, Schatz and Souki being excused.

At this time, Representative Bukoski rose and stated:

"Mr. Speaker, a point of inquiry. I just wanted to know if you ruled on the last point of order. Just for a matter of record, I believe the Representative from Kapolei was in order in his rebuttal to a previous speaker's comments. I just wanted to make it clear for the record that the speaker from Kapolei was in order, and if you did make a ruling on that point of order."

The Chair responded, stating:

"I did not make a ruling, Representative Bukoski."

Representative Bukoski: "Can I ask for a ruling Mr. Speaker, on that last point?"

Speaker Say: "I believe he just sat down."

Representative Bukoski: "I just want to make it clear for the record Mr. Speaker, that the speaker from Kapolei was in order."

Speaker Say: "Yes."

The Chair directed the Clerk to note that S.B. Nos.: 540, SD 1, HD 2; 789, SD 1, HD 2; 1279, SD 2, HD 2; 1381, SD 1, HD 2; 1495, SD 1, HD 1; 205, SD 3, HD 2; 611, SD 1, HD 2; 768 SD 1, HD 2; passed Third Reading at 1:51 o'clock p.m.

#### STANDING COMMITTEE REPORTS

Representatives Arakaki, Kahikina and Hale, for the Committee on Health and the Committee on Human Services and Housing and the Committee on International Affairs presented a report (Stand. Com. Rep. No. 1343), recommending that H.C.R. No. 206, as amended in HD 1, be referred to the Committee on Finance.

Representative Saiki moved that the report of the Committee be adopted and H.C.R. No. 206, HD 1 be referred to the Committee on Finance, seconded by Representative Lee.

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

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.C.R. No. 206, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED NATIONS TO CONSIDER THE ESTABLISHMENT IN HAWAII OF A CENTER FOR THE HEALTH, WELFARE, AND EDUCATION OF CHILDREN, YOUTH, AND FAMILIES OF THE UNITED STATES, ASIA, AND THE PACIFIC AND REQUESTING SUPPORT FOR THE CENTER FROM THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES," was referred to the Committee on Finance with Representative Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Arakaki and Takumi, for the Committee on Health and the Committee on Education presented two reports:

(Stand. Com. Rep. No. 1344), recommending that H.R. No. 9, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 1345), recommending that H.C.R. No. 6, be referred to the Committee on Finance.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 9 and H.C.R. No. 6, be referred to the Committee on Finance, seconded by Representative Lee.

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

"I believe that 1344 goes to the next page, with 1345. I'd like to register a no on both of those. Brief comments. Mr. Speaker and Members, the concurrent resolution and resolution before us asks, the Committee Report says, the purpose of this resolution is to request the Department of Health in cooperation with the Department of Education to establish a sun protection program for Hawaii's elementary school children. I think that they are well busy at this time with education and health matters. I know that the sun is an important issue, but I just don't think that this kind of mandate would assist them in their functions."

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

"Thank you, Mr. Speaker. As the sponsor of this measure these measures, I will stand up and speak in defense of them and in support of the two resolutions. Thank you, Mr. Speaker. Iolani School, about three or four years ago got smart. They established a sun protection program for the elementary school children. They found that children of all ethnic groups have developed an increased incidence of skin cancer. Skin cancer, you know, can in its worst shape, become melanoma and that is deadly. So Iolani School put together in school prints, school colors, sun visor hats that also have the protection on the neck. The youngsters then can play out in the sun without being afraid of being exposed to too much sun.

"One thing that maybe my surfer colleague isn't aware of. The sun damage is cumulative and it cannot be reversed. So someone that spends a lot of time in the water surfing or doing other activities, each time that person is out there it is a cumulative damage to that person's skin. This is just one way for the Department of Health in cooperation with the Department of Education, both of whom I would note, are in support, for those two departments to develop a smart sunscreen or program for the schools.

"They don't have to reinvent the wheel, Mr. Speaker. Australia has national programs. They're ahead of us. And they are protecting their children right now. So everything is in place. They can merely review what is going on, take a look at what is going on. Take a look at what is going on at Iolani School and adopt a program that is appropriate for all of our public schools here in this State.

"And I would urge my colleague who spoke against these that he better lather up with something that will withstand the water, because it is very difficult to do. Either that or surf shorter."

Representative Stonebraker rose to respond, stating:

"Mr. Speaker, brief rebuttal. I am just kidding. I do use sunscreen and the purpose for my opposition is not because I don't believe that this is an issue that is not important to look at. This is an area where I think the parents should be involved and so forth. I do lather up, for my colleague, and I do believe the surf is up right now, for some of my other colleagues."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 9, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH, IN COOPERATION WITH THE DEPARTMENT OF EDUCATION, TO ESTABLISH A SUN PROTECTION PROGRAM FOR HAWAII'S ELEMENTARY SCHOOL CHILDREN," was referred to the Committee on Finance with Representative Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused;

and

H.C.R. No. 6, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH, IN COOPERATION WITH THE DEPARTMENT OF EDUCATION, TO ESTABLISH A SUN PROTECTION PROGRAM FOR HAWAII'S ELEMENTARY SCHOOL CHILDREN," was referred to the Committee on Finance with Representative Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Takumi and Arakaki, for the Committee on Education and the Committee on Health presented a report (Stand. Com. Rep. No. 1346), recommending that H.C.R. No. 27, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 27, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO PROVIDE SCHOOL HEALTH AIDES THROUGHOUT THE STATE WITH DEPENDABLE SUBSTITUTES IN ORDER TO ENSURE THAT ALL SCHOOL HEALTH ROOMS ARE STAFFED AT ALL TIMES BY QUALIFIED HEALTH PERSONNEL," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Takumi and Takai, for the Committee on Education and the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1347), recommending that H.C.R. No. 106, be referred to the Committee on Finance.

Representative Saiki moved that the report of the Committee be adopted and H.C.R. No. 106, be referred to the Committee on Finance, seconded by Representative Lee.

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, I rise in favor of this measure.

"Mr. Speaker, Cherished Colleagues:

"We are held with the responsibility of providing our children with the best education possible. With that responsibility comes the duty of preparing them for the world ahead.

"As we face a future of globalization, a lack of knowledge can potentially place Hawaii at risk of losing the competitive advantage that it's geographical location and ethnic diversity provide.

"This measure provides a program that will foster a deeper understanding and appreciation for Asia Pacific related issues and their impact on the lives of Americans.

"Truly, this is a time when our most prominent neighbors are no longer limited to California, Washington, Mexico, and other States and countries of the Western Hemisphere.

"We are, whether we like it or not, critically linked to the countries of the Pacific. And our future may depend upon our understanding of their cultures and history.

"This taskforce provides us with the opportunity to give our children the vital tools they will need in an emerging global community, and will help to ensure their future success.

"I proudly support this resolution."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 106, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE ON ASIA-PACIFIC EDUCATION TO ENSURE THAT HAWAII'S STUDENTS MEET HIGH

PERFORMANCE STANDARDS IN EDUCATION ABOUT ASIA AND THE PACIFIC AND UNDERSTAND THE IMPACT OF THE STATE'S RELATIONSHIP WITH THE REGION." was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Hale, for the Committee on International Affairs presented two reports:

(Stand. Com. Rep. No. 1348), recommending that H.R. No. 115, be referred to the Committee on Energy and Environmental Protection; and

(Stand. Com. Rep. No. 1349), recommending that H.C.R. No. 143, be referred to the Committee on Energy and Environmental Protection.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 115 and H.C.R. No. 143, be referred to the Committee on Energy and Environmental Protection, seconded by Representative Lee.

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

"In opposition. Mr. Speaker, the Kyoto Protocol was signed in 1997. The President at the time, President William Jefferson Clinton, chose not to submit the Protocol to the Senate of the United States. He did so for very good reasons. The Senate would have overwhelmingly rejected the Protocol. As far as I know, that is still a position of the Senate. So I find it rather odd that we would be instructing the subsequent President to do what President Clinton declined to do. Thank you, Mr. Speaker."

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

"Mr. Speaker, also in opposition. I understand the Kyoto Protocol does not cover the non-industrial, Third World nations. So it covers just the industrial ones. And I think I would support this when other industrial nations, particularly in Western Europe are also signed on to the Protocol. I feel the US shouldn't be the ones to go at alone. Thank you."

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

"Thank you, Mr. Speaker. I won't make a long speech. I just want to say that I am opposed to both of these for the reasons you've already heard. So it would be very detrimental to the United States. And it talks about global warming. You know, we've been having cold spells too. I am still not convinced we have global warming. Thank you."

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

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

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

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

"Thank you, Mr. Speaker. I would like to register no votes on both of these resolutions. As the Representative from, it is a new district, Kaimuki/Kahala stated, that this would put restrictions on only developed countries while some of the countries that are not developed would be spewing out unbelievable amounts of soot and various chemical compounds with no restrictions whatsoever. And the restrictions that we're being asked, it is a very lucky thing that President Bush did not want to go along with this. Since 1999-2000, the economy has not been humming as well as it was before, and this would have put a fantastic damper on it. Thank you, Mr. Speaker."

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

"Thank you, with reservations. A couple observations. It seems Mr. Speaker, this is a difficult Session, especially with the financial conditions the State is in. The point I am getting to is that we are busy on State matters and find it interesting we are dwelling on international issues in this Body. I will leave it at that."

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

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

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

"Mr. Speaker, I'd just like to stand in strong support and I have some written comments that I would like to put in the Journal," and the Chair "so ordered."

"I'd just like to just say for the record that I think this Body should be commended for their attention to international issues. It is about time."

Representative Lee's written remarks are as follows:

"I rise in favor of the resolution. The Kyoto Protocol is the only international agreement that sets targets to reduce the greenhouse gas emissions causing climate change. Climate change is likely to become more erratic, disruptive and unpredictable in the future.

"It represents a decade of negotiations, and includes mechanisms to provide efficient implementation.

"Although President Bush withdrew the United States from the Kyoto Protocol in 2001 for reasons related to cost, the long-term costs of doing nothing are staggering.

"Many physicians and leading medical organizations say the Kyoto Protocol is critical for clean air and health. In addition, businesses are finding that it is actually more profitable for them to invest in pollution-reducing technology which increase efficiency.

"Studies show that adopting the Kyoto protocol and a climate action plan, would stimulate the hi-tech and construction industries, create jobs, reduce health care costs from air pollution, and help protect our ecosystems. Technology and procedures are already being used by far-sighted industries.

"It is time for the Bush Administration to start fighting global warming -- not to fight against solutions.

"This is an economic as well as social justice issue -- failure to act means increased impacts on small island nations, the

arctic and developing countries. I urge the members to support this resolution."

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

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

"Thank you, Mr. Speaker. I rise in opposition to the measure. Mr. Speaker, I don't think that any of us want the planet to get hotter or want a global warming. But the way in which the Kyoto Protocol tries to do that, focusing only on the industrialized nations and leaving the vast majority of the other nations, which are seriously contributing to pollution as well. Leaving them to do whatever they want, is not the appropriate way to try to address this matter. I think that our own Department of Energy here in the United States show that there could be tremendous cost to our citizenry, to our taxpayers if this were to be followed. Again the 7% reduction would be going back to 7% below the 1990 levels. I mean that would be a dramatic decrease and again there is no question that much of the pollution that is created in other countries that don't even apply could go on unabated and so they may actually be a tremendous cost to the United States but almost no impact in terms of what is going on in terms of pollution.

"A Department of Energy study on the internet, you can just look it up, shows and they're estimate is by 2010 you will have 86.4% increase in electricity prices. You would have a 52.8% increase in gasoline prices and the list goes on and on. It is readily available to see how tremendously costly this could be. And again there is no guarantee that the reduction by the United States at great costs to our citizens would impact the overall global situation because all of those other nations that can be of great concern aren't impacted or not bound by the Kyoto Protocol. So again, I think it would be unwise to send this off to urge the President to do something that the Senate in their wisdom doesn't want to support it in the first place. So for those reasons, I oppose both of these resolutions. Thank you."

At 2:01 o'clock p.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:02 o'clock p.m.

At this time, the Chair stated:

"Members, may we proceed on? But for Chair Hamakawa, could you give us another half an hour on the floor before the Judiciary Committee starts their hearing."

Representative Hamakawa responded, stating:

"Yes, Mr. Speaker."

The Chair then announced:

"We have our Judiciary Committee hearing at 2:00, which is going to be postponed until 2:30. And the Finance Committee goes into Committee hearings at 2:30, so we'll try to get out as quickly as possible. These are resolutions that are going to be referred to other Committees also, and at that point, you will all get another opportunity to discuss the issue, as far as what is here. So, moving on to page 5."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 115, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES PRESIDENT TO SUBMIT THE KYOTO

PROTOCOL TO THE UNITED STATES SENATE FOR RATIFICATION," was referred to the Committee on Energy and Environmental Protection with Representatives Blundell, Fox, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused;

and

H.C.R. No. 143, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES PRESIDENT TO SUBMIT THE KYOTO PROTOCOL TO THE UNITED STATES SENATE FOR RATIFICATION," was referred to the Committee on Energy and Environmental Protection with Representatives Blundell, Fox, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Stonebraker voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1350), recommending that H.C.R. No. 207, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 207, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH, WITH THE ASSISTANCE OF THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY, TO CONDUCT A STUDY REGARDING MEDICAL IMAGING FOR DIAGNOSIS IN HAWAII," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1351), recommending that H.C.R. No. 205, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 205, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY OF PROPOSED MANDATORY HEALTH INSURANCE COVERAGE FOR CERTAIN PROVIDERS OF DIABETES EDUCATION," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Schatz and Kanoho, for the Committee on Economic Development and Business Concerns and the Committee on Water, Land Use, and Hawaiian Affairs presented a report (Stand. Com. Rep. No. 1352), recommending that H.R. No. 112, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 112, entitled: "HOUSE RESOLUTION REQUESTING DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A TASK FORCE TO DEVELOP AN EMERGENCY ACTION PLAN TO ASSIST AND EMPOWER THE WAI'ANA'E COMMUNITY AND OTHER COMMUNITIES AROUND THE STATE TO FOSTER GREATER SELF-SUFFICIENCY," was referred to the

Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Schatz and Kanoho, for the Committee on Economic Development and Business Concerns and the Committee on Water, Land Use, and Hawaiian Affairs presented a report (Stand. Com. Rep. No. 1353), recommending that H.C.R. No. 135, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 135, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A TASK FORCE TO DEVELOP AN EMERGENCY ACTION PLAN TO ASSIST AND EMPOWER THE WAI'ANAE COMMUNITY AND OTHER COMMUNITIES AROUND THE STATE TO FOSTER GREATER SELF-SUFFICIENCY," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Schatz and Kahikina, for the Committee on Economic Development and Business Concerns and the Committee on Human Services and Housing presented two reports:

(Stand. Com. Rep. No. 1354), recommending that H.R. No. 52, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 1355), recommending that H.C.R. No. 49, be referred to the Committee on Finance.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 52 and H.C.R. No. 49, be referred to the Committee on Finance, seconded by Representative Lee.

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

"The State of Hawaii has one of the most, well let me correct that. The State of Hawaii has the most lopsided distribution of powers between the State and local government. Almost everything of significance is done at the State level. The one thing the county does that is of significance is land use planning. This is absolutely wrong for us to dip into the area of urban land use planning and start telling the counties what to do. We should reject this resolution."

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

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

"Mr. Speaker, in opposition to this on Second Reading. All testimony to this measure was in opposition. It overrides homerule, big time. We have a large infrastructure regarding land use planning including the Land Use Commissions, the State Office of Planning, the County Planning Commission, the County Council. We have environmental impact statements, we have impact fees. It is a noble goal, but I think that we are re inventing the wheel."

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

"No vote please for the same reasons as my colleague."

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

"No vote, for the same reasons please. Thank you."

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

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

"Same thing, Mr. Speaker. No on both measures. Again it is increased cost to the State government and it is a homerule issue."

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

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

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

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

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

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

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

Representative B. Oshiro rose to speak in support of the measure, stating:

"In strong support of both measures. Very, very, very briefly. Last Session, in 2001, S.B. 1473 was passed out of this Legislature. Unfortunately, it was vetoed by the Governor under message, on June 18, 2001. Basically what he said was there was no need for this bill because we can do it within our own agency and department, and therefore that is why I am in strong support of this reso, because it is encouraging them to do what we failed to do last Session. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 52, entitled: "HOUSE RESOLUTION ESTABLISHING A TEMPORARY SMART GROWTH ADVISORY COUNCIL WITHIN THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ADDRESS THE IMPACT OF NEW HOUSING DEVELOPMENTS," was referred to the Committee on Finance with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Thielen voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused;

and

H.C.R. No. 49, entitled: "HOUSE CONCURRENT RESOLUTION ESTABLISHING A TEMPORARY SMART GROWTH ADVISORY COUNCIL WITHIN THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ADDRESS THE IMPACT OF NEW HOUSING DEVELOPMENTS," was

referred to the Committee on Finance with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Thielen voting no, and with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1356), recommending that H.R. No. 92, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 92, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO DEVELOP PROPOSED LEGISLATION TO RECODIFY THE HIGHER EDUCATION STATUTES," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1357), recommending that H.C.R. No. 102, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 102, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO DEVELOP PROPOSED LEGISLATION TO RECODIFY THE HIGHER EDUCATION STATUTES," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1358), recommending that H.R. No. 91, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 91, entitled: "HOUSE RESOLUTION URGING THE ESTABLISHMENT OF A TEACHER CADET PROGRAM TO RECRUIT HAWAII'S BRIGHTEST AND BEST PUBLIC HIGH SCHOOL STUDENTS FOR TEACHING CAREERS IN THE HAWAII PUBLIC SCHOOL SYSTEM," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1359), recommending that H.C.R. No. 101, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 101, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE ESTABLISHMENT OF A TEACHER CADET PROGRAM TO RECRUIT HAWAII'S BRIGHTEST AND BEST PUBLIC HIGH SCHOOL STUDENTS FOR TEACHING CAREERS IN THE HAWAII PUBLIC SCHOOL SYSTEM," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1360), recommending that H.R. No. 18, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 18, entitled: "HOUSE RESOLUTION SUPPORTING THE DEVELOPMENT OF A RURAL HEALTH CARE CENTER AT THE UNIVERSITY OF HAWAII AT HILO," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1361), recommending that H.C.R. No. 19, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 19, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE DEVELOPMENT OF A RURAL HEALTH CARE CENTER AT THE UNIVERSITY OF HAWAII AT HILO," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1362), recommending that H.C.R. No. 194, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 194, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNIVERSITY OF HAWAII DEPARTMENT OF PSYCHIATRY TO EXPAND ITS RESEARCH AND EDUCATION ON DEPRESSION DIAGNOSIS AND MANAGEMENT," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1363), recommending that H.C.R. No. 14, be referred to the Committee on Consumer Protection and Commerce.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 14, be referred to the Committee on Consumer Protection and Commerce, seconded by Representative Lee.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 14, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII AND THE GOVERNING BODY OF EACH ACCREDITED PRIVATE OR INDEPENDENT COLLEGE OR UNIVERSITY IN HAWAII TO ADOPT POLICIES REGULATING THE ON-CAMPUS MARKETING OF CREDIT CARDS TO STUDENTS," was referred to the Committee on Consumer Protection and Commerce with Representative Ching voting no, and with

Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Takai and Arakaki, for the Committee on Higher Education and the Committee on Health presented a report (Stand. Com. Rep. No. 1364), recommending that H.R. No. 120, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 120, HD 1, entitled: "HOUSE RESOLUTION STRONGLY URGING THE UNIVERSITY OF HAWAII TO CONSIDER REQUIRING ALL STUDENTS AT THE UNIVERSITY OF HAWAII SYSTEM TO SHOW PROOF OF FULL IMMUNIZATION AGAINST THE HEPATITIS B VIRUS PRIOR TO ENROLLMENT," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Takai and Arakaki, for the Committee on Higher Education and the Committee on Health presented a report (Stand. Com. Rep. No. 1365), recommending that H.C.R. No. 149, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 149, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION STRONGLY URGING THE UNIVERSITY OF HAWAII TO CONSIDER REQUIRING ALL STUDENTS AT THE UNIVERSITY OF HAWAII SYSTEM TO SHOW PROOF OF FULL IMMUNIZATION AGAINST THE HEPATITIS B VIRUS PRIOR TO ENROLLMENT," was referred to the Committee on Finance with Representatives Caldwell, Chang, Ito, Kanoho, Karamatsu, Kawakami, Morita, Schatz, Souki, Tamayo and Waters being excused.

Representatives Takumi and Takai, for the Committee on Education and the Committee on Higher Education presented two reports:

(Stand. Com. Rep. No. 1366) recommending that H.R. No. 36, be adopted; and

(Stand. Com. Rep. No. 1367) recommending that H.C.R. No. 31, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 36 and H.C.R. No. 31, be adopted, seconded by Representative Lee.

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

"Mr. Speaker, I'd just like to stand in strong support of 1366 and 1367. I would like to insert some written comments.

"And I think its worth just taking a minute to say that the next generation of female athletes may not know that a law had to be passed in order to equalize the playing opportunities. I think it is really important that we put forward this resolution to remind women what they didn't have in the past."

Representative Lee's written remarks are as follows:

"Mr. Speaker, millions of female athletes have never heard of Patsy Takemoto Mink -- and many of them take their equal playing opportunities for granted.

"Title IX was just a part of the long legacy of educational reform and fairness left behind by the late Patsy Mink.

"Title IX's impact on women's athletics has been so encompassing that many young women don't realize that it hasn't always been this way.

"But, whether in athletics or academics, Mink has left her mark -- and we in Hawaii will never forget her.

"Upon the 30th anniversary of Title IX -- the 1972 Act she co-authored, Mrs. Mink modestly said: "I never anticipated that all this would happen. It was a deep down wish that it would make a difference at some point." And indeed it has; yet we must remain vigilant to ensure that the progress made in Title IX is not lost. This resolution says it all.

"I urge the members to support this."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 36, entitled: "HOUSE RESOLUTION REQUESTING STRONG SUPPORT BY CONGRESS FOR TITLE IX, THE PATSY TAKEMOTO MINK EQUAL OPPORTUNITY IN EDUCATION ACT," was adopted with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused;

and

H.C.R. No. 31, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING STRONG SUPPORT BY CONGRESS FOR TITLE IX, THE PATSY TAKEMOTO MINK EQUAL OPPORTUNITY IN EDUCATION ACT," was adopted, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1368) recommending that H.R. No. 87, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 87, entitled: "HOUSE RESOLUTION REQUESTING THE U.S. SMALL BUSINESS ADMINISTRATION TO RE-EXAMINE THE CRITERIA FOR DESIGNATING HUBZONES UNDER THE HUBZONE EMPOWERMENT CONTRACTING PROGRAM AS IT APPLIES TO THE STATE OF HAWAII," was adopted with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1369) recommending that H.C.R. No. 90, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 90, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE U.S. SMALL BUSINESS ADMINISTRATION TO RE-EXAMINE THE CRITERIA FOR DESIGNATING HUBZONES UNDER THE HUBZONE EMPOWERMENT CONTRACTING PROGRAM AS IT APPLIES TO THE STATE OF HAWAII," was adopted, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.



Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1370) recommending that H.R. No. 148, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 148, entitled: "HOUSE RESOLUTION RECOGNIZING THE WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION ON THE OCCASION OF ITS FIFTIETH ANNIVERSARY," was adopted with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1371) recommending that H.C.R. No. 184, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 184, entitled: "HOUSE CONCURRENT RESOLUTION RECOGNIZING THE WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION ON THE OCCASION OF ITS FIFTIETH ANNIVERSARY," was adopted, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takai, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 1372) recommending that H.C.R. No. 60, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 60, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR THE SCHOOL OF OCEAN AND EARTH SCIENCE AND TECHNOLOGY OF THE UNIVERSITY OF HAWAII," was adopted, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Hale, for the Committee on International Affairs presented two reports:

(Stand. Com. Rep. No. 1373) recommending that H.R. No. 164, as amended in HD 1, be adopted; and

(Stand. Com. Rep. No. 1374) recommending that H.C.R. No. 211, as amended in HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 164, HD 1 and H.C.R. No. 211, HD 1, be adopted, seconded by Representative Lee.

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

"Mr. Speaker, I want to rise with some very grave reservations and concerns regarding this. I have no reservations regarding aloha and the importance of the spirit of aloha. It is very, very important. It is part and parcel of our culture. It is what sets us apart from the rest of the world. Not only is the word aloha and the greeting aloha important, but the spirit and love and lifestyle of aloha is just absolutely crucial to keep this place special.

"However, as I read this particular House resolution and the accompanying House concurrent resolution, that is Standing Committee Report Nos. 1373 and 1374, the way in which one could interpret this, causes me some pause, causes me some concern. It's as though one either opposes the war in Iraq in order to be consistent with aloha, or one cannot support the war

in Iraq and truly have the aloha spirit. And I hope that is not the intent of what people are saying here.

"Mr. Speaker, we just honored someone earlier today who played a crucial role in saving the lives of many Polish Jews. And I am reminded unfortunately, of the 6 million Jews who Hitler was successful in killing. And we need to hold Hitler accountable for that. He was an evil man. At the same time, the West cannot just wash its hands. The appeasers in the West, you said if we just give Hitler a little more ground. There are the people in the US Government that said to FDR that we don't have the public support. We can't do anything. We just have to let this happen. That kind of 'do nothing' spirit, that is not also consistent with the aloha spirit.

"So I think sometimes the aloha spirit calls us to stand up in favor of defending the defenseless. Getting involved. And sometimes that means using force to protect the rest of the world from a very, very bad person. So Mr. Speaker, I personally believe that you can be consistent in adhering to the spirit of aloha saying that there are times when the worse case scenario. When you tried diplomacy and it hasn't worked, and we have to have military intervention. So those are the comments I want to make in terms of my concerns regarding these resolutions, Mr. Speaker. Thank you."

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

"A no vote. I have no hesitation voting no on this. This is against the effort that is underway to free the people of Iraq."

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

"Thank you, Mr. Speaker. No on both measures also. Mr. Speaker, Saddam Hussein and his henchmen don't say aloha when they rape, when they murder, when they shock and torture their victims. Mr. Speaker, what are we doing here? We are saying let's go negotiate with them now? I don't understand. I am looking at the, 'Be it resolved' paragraphs. "The Legislature reaffirms the value of the meaning of aloha in the face of the military action against Iraq." There is no military action against Iraq. We are not fighting the people of Iraq. We are trying to get rid of Saddam Hussein and his people. We are not trying to get rid of the Iraqi people. We have aloha for the Iraqi people. We wouldn't be over there killing young Americans to try to free them.

"Now, I am adamant on this, Mr. Speaker. Those Marines going into duty right now, and those Core men being called up. You know, "Core men up." They are the first ones that go up. Those are the conscientious objectors. Those soldiers go on up there and die, and you are bleeding. They are not doing it because they hate Iraqi people. They are doing it for their salvation. Thank you, Mr. Speaker."

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

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

"No vote as well, and I'd like to incorporate the words of my colleague from Kailua as well as from Kapolei. And I'd like to read some of the whereas statements here on page 1 of this resolution. It says that, on line 15 of page 1:

Whereas, although our society continues to strive to achieve these ideals, situations arise that challenge our resolved and good us into succumbing to the darker side of humanity, including our penchant for making war; and

Whereas the history of Hawaii is replete with examples of courageous leaders who overcame the temptation to engage in war ...

"This would make Neville Chamberlain, the Hitler appeaser, a courageous leader. And I would say that Winston Churchill was the courageous leader, that stood up in England and stood against Hitler. This resolution calls people that fight for good, as to those who 'succumb to the darker side of humanity'. This kind of vitriolic speech makes this floor, an act of this floor, rather than a floor that supports the will of our people. I don't think this kind of stuff should move forward."

Representative Pendleton rose and stated:

"Mr. Speaker, again, I'd like to change my vote to a no vote. To a vote in opposition. And I thank the gentleman from East Honolulu for pointing out some language that I should have noted. Thank you."

Representative Ching rose in opposition to the measure and asked that the remarks of Representative Pendleton and Stonebraker be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. I can add nothing more than my colleagues on this side have said. It saddens me that we pass a resolution like this, knowing that most of us on this side would vote no and we cannot stop this from moving forward. And that I think is very unfortunate. So please register me as a no vote."

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

"Thank you, Mr. Speaker. Could you register a very definite no vote on both for me? Mr. Speaker, I feel very privileged to represent the side of the island that includes the Kaneohe Marine Base. I deeply appreciate what the troops are doing for our nation and for the people of Iraq, and I deeply support our military troops. I think this resolution goes exactly the opposite way. Thank you."

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

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

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

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

"Thank you, Mr. Speaker. In opposition. Aloha, Mr. Speaker. I want to take a couple facts on this, Mr. Speaker. First, the American tact I guess. What I think that, a saying that has inspired me since I was a young man, and I apologize to my colleagues if I misquote it. I believe it was something like, "The only way that evil thrives is if good men do nothing." I believe that it is attributed to the political philosopher Edmund Burke. I think that is the theme, that key that we have to decide whether we are going to do. If this evil, and if we are going to do something about it.

"One thing that characterizes, I think America, what Americans are. Lots of people you can see throughout the

world, there are lots of similar characteristics. About how we love life, we love family, but the one thing we don't I think the one thing that distinguishes Americans is the fact that we are willing to fight for what we believe in. To fight for freedom. As a matter of fact, sometimes people look at us as sort of a 'loosey-goosey', you know, free kind of society, people running around naked. All this kind of, crazy kind of things going on. But at the same time, if you attack us, we will come and punch you out. That is the key, Mr. Speaker. This willingness to fight.

"This is an American expression of I think, what is a common theme throughout all of our cultures, this duality. The ying-yang. In the Hawaiian culture it is *ku* and *hina*. In America, the American expression of it is 'peace through strength'. We can't have, I just want to express a philosophy that I don't think we can have the kind of 'loosey-goosey' freedom that we have, without the other side, the fist. The part that says, 'Don't mess with us. We will come and kick your butt.' The thing is that it really is required. I think history teaches us that it's required. That we need our warriors to protect our freedoms.

"There is a comment in there now, that Queen Liliuokalani did not fight. I just want to say that I think of it very differently. I don't think she could fight. If you look at the first contact in the late 1770s, the estimated population of the Hawaiian Islands was about 400,000. At Annexation at 1893, the best estimate that I saw was about 40,000. That is a loss of a huge number of Hawaiians. So here you have a very small, weakened, decimated population, and a Queen trying to bring them out of this incredible destruction of her people. However, if you look now the census 2000, I am proud to report the Hawaiians have been brought back over 400,000, so watch out. This guy, this "peace of Kamalo'ohua." I must apologize, Mr. Speaker. I have never heard of this guy.

"You know, Hawaii seems to, even in modern times I guess you can blame my father, that in modern times we seemed to honor our fiercest warriors. The ones that created or made peace. They might have had to be a little bit mean about it, but they created that peace. As a matter of fact, we have Kahekili Highway on the other side, and I know Kahekili and son Kalaniopuu, who eventually lost to Kamehameha at the battle of Nuuanu.

"Hawaii was united by a force of arms. It is wonderful that we have aloha. I know aloha is a very, very powerful word. We like to use it more than we have to use words like I think *kinipopo*, which means to kill. I know Hawaiians must have used it before, but I don't think we like to use it all of the time.

"I want to just close, Mr. Speaker, with just a couple of things. Pulitzer prize winner George Will said, that there were basically, he has estimated that there are four strategic errors in recent history. He named them. One was, of course, the attack on Pearl Harbor, associated with our entering World War II. The other one was unrestricted submarine warfare in the Atlantic, which of course lead to our entry in World War I. The Soviet failure to ease their restrictions under Soviet satellites, which of course lead to what we feel is our victory in our Cold War. The fourth one he feels, the fourth strategic error is the terrorist attack on the World Trade Center and the Pentagon. I think what we are sensing here Mr. Speaker, is indeed the hard fight in America's response to this vulgar attack on our generally peaceful attitude.

"Finally Mr. Speaker, my father did teach me aloha and the tenets of aloha. But he also taught me "*Imua e na poki`i a inu ka wai`awa`awa*", this translates as, "Forward my brothers, let us drink of the bitter waters." This was attributed to Kamehameha at the battle of Kepaniwai. This is what my

father taught me, rather than lots of aloha and stuff. But the point is Mr. Speaker, is I think you need both. You need both. You cannot have say for peace, and not be willing to fight for it."

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

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

"I am really confuse by all this discussion. I am a Marine, an ex-Marine. I am in support. Aloha in the face battle does not mean that you can't kill the enemy when the enemy tries to kill you. I think the purpose of this is to say that it is very important for us to look at the human things, the human cost of this. That if Saddam Hussein were to come forward and change his ways and raise his hands, are you going to shoot him in the head? I think that aloha means that the person finally realized that he is wrong that he has lost and that if he gives up, we don't shoot this person in the head.

"Aloha also means that we do what we are already doing today. If we actually watch the shows, the coverage of the war, aloha is all over the place. We don't kill civilians even though the other side is causing atrocities that makes our stomach turn, and makes the warrior's blood in us rise up and say, "You know, we should do the same thing." Even as a former Marine, I cannot say that I would do that. I would say that it is important for us to realize that it is always nice to take the higher ground. It is never too late to forgive. It is never too late to take an opportunity to say that, I don't have to be the same animal if that animal is trying to kill me. Although I am trained to be animal when I have to be, because that is what soldiers are being taught to be. To be soldiers, killing machines. And yes, I went through the same training and I think it is important to go through that training. But at the same time now I can reflect and say you know when it comes down to it, when someone is out there trying to surrender, when I have an opportunity to perform works of aloha, the meaning of aloha I think I will do that.

"So I don't know what this is. Why we make such a big deal of this resolution. It is not saying to stop the war. It is not to support our men who are there battling for us because we are not there to do it ourselves. I don't think it does that, Mr. Speaker. I think what it does is it says we support the men, but if there is or if they are alternatives out there any peaceful means to accomplish the same goal we'll have to do it. And as fearless warriors we can have aloha. Thank you very much."

At this time, the Chair stated:

"Members, we have had a lot of discussion on this. The Chair will allow you to submit your written comments, for or against these particular resolutions, HR 164, HD 1, and HCR 211, HD 1."

Representative Tamayo rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Tamayo's written remarks are as follows:

"I think there is no question here that all of us present support, honor, and revere the spirit of aloha. For myself, I do my best to try to live my life in that spirit of aloha. So I wholeheartedly support the first half of the title of these resolutions: "Reaffirming the Value and Meaning of Aloha." Our society can always use reaffirmation of aloha.

"My concern with these resolutions is that where our country is today, at this moment, whether we agree with why our country is at war or not, it is very, very important for us to be united in supporting our troops who are risking their lives for us as we speak."

Representative Finnegan rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and that the remarks of Representatives Pendleton and Stonebraker be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I rise in opposition to H.S.C.R.s 1373 and 1374, H.R. 164, H.D. 1 and H.C.R. 211, H.D. 1. Before I go further, let me make one thing clear: prior to this resolution and up to this day, I have supported and continue to strongly support the decisions and leadership of President Bush and his administration on the liberation of Iraq. I had reservations about these resolutions in the International Affairs Committee and voiced my opposition to the language of these resolutions then.

"Growing up in Hawaii, I never thought I would ever have negative feelings about the word 'Aloha.' My initial vote of "with reservations" in Committee was a knee-jerk reaction to the emotional connection I feel with the word 'Aloha,' an emotional connection I know many of us share. I still retain my connection with this beautiful word, but I am firm in my opposition to seeing it used in this context.

"Mr. Speaker, my opposition especially focuses on the fourth and fifth "whereas" clauses. The language in these clauses, which speak of "succumbing to the darker side of humanity" and "the temptation to engage in war," is wholly inappropriate for application to the present conflict in Iraq. Our national leaders and international allies did not "succumb to the darker side" and give into "the temptation." They are taking the action they believe is necessary and appropriate to protect national and international security and to free the people of Iraq from a brutal tyrant. This body should not be giving their actions the inappropriate and incorrect description included in these resolutions.

"My father and two of my brothers served in the military, Mr. Speaker, and one of my brothers is currently in the Special Forces. I would hate to think that some in this Chamber would believe they were giving into temptation and succumbing to the darker side if they went into action to protect our country and people.

"For this reason, I am voting no on these resolutions and urge all of my colleagues to do so as well.

"Thank you, Mr. Speaker."

Representative Kaho'ohalahala rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. If I may Mr. Speaker, I am the introducer of the resolution. I have been sitting very patiently allowing others to express themselves and I would like to have an opportunity to speak in favor of the measure.

The Chair responded, stating:

"Please proceed. I've allowed a lot of you to speak."

Representative Kaho'ohalahala continued, stating:

"Thank you, Mr. Speaker. In the spirit of aloha, isn't it wonderful that we can stand here and allow all comments and views to be shared, and aired, and viewed. I think that is the tone in which we began our session today, when Representative Morita began and opened with the spirit of aloha. I think I would like to take a moment to talk about one part of this resolution that I think that hopefully, encapsulates what the intent and purpose of the resolution is for.

"Many examples and names have been thrown out today giving their reasons for their positions. But I would like to step back and talk about Queen Liliuokalani. While she was mentioned here and viewed very differently, the part of the Queen that I would like to emphasize for all of us is that in light of the act of war that was waged against her, across here at Iolani Palace, it was the prophetic vision of a Queen that said that rather than lift up my arms to fight a war here in Honolulu, I would rather that we lay our arms down. What I would pursue, and what I would ask is that this nation, this kingdom of Hawaii, not be referred to the republic that would seek to take her, but to that of the United States of America.

"The reason why the Queen stood to that position was that she saw that there was a nation, a great nation, that stands for truth and justice. And that is the nation I would defer this decision and action, rather than that of a war. It is that prophetic action that I think that this resolution is being offered today. That there was a great Queen here a great leader who stood against all of the odds and yes, maybe perhaps they characterized that she had a small army compared to that of others. But it is not the size of the army that I think she was concerned with. It was dealing with the ability to be one nation that could deal with truth and that same nation that could deal with justice. And that is what she has left us today. I think had she not had the spirit of aloha within her, for she truly believed in that spirit of aloha, that without that action of aloha, today perhaps we wouldn't be able to have these expressions in an assembly like this.

"So it is in that spirit of aloha that while there are many, many positions that can be aired and voiced, for or against our actions in war we should be reminded also that aloha is one of those actions that should be also given fair and equal amount of time and consideration in light of who we are as a people. So if we are truly known as the islands of aloha and the people of aloha, then perhaps it is appropriate for us to also make a statement in that direction. And know that the Queen's offer for peace and justice and truth lies there exactly within the word aloha. *Ha* is the breath, the breath of life. The exchange of that *ha* between people is what gives us that ability to have compassion and love for one another, and that is the essence of aloha. And we should be reminded that there is where our strength lies, and that is why this is being offered.

"I thank the people across the aisle and anyone who has not aired their position that in aloha, I thank you for even making those statements before this Body."

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

"Thank you, Mr. Speaker. I rise in opposition to both measures. I'd like to incorporate the words of the speaker from Mililani as well as the speaker from Maunawili as my own and in addition offer written comments and make one brief rebuttal please.

"Real quickly. The concept of aloha, in order for it to work, it has to be reciprocal. The understanding of the word aloha and the meaning has to be reciprocal, and I don't think that Saddam Hussein and the Iraqi people have the understanding of the word aloha.

"In rebuttal to the Representative from Waipahu and Crestview. In regards to some of his comments, I believe that we should commend President Bush for his efforts his ongoing efforts to negotiate for the surrender of Iraq, as well as his offer to Saddam Hussein, for asylum for him and his family prior to going into war.

"I think it was referenced here in one of the whereas clauses where Kamolo'ohua objected to the murder of another Chief. I believe the action of offering asylum to Saddam Hussein and his family mirrors this exact whereas clause. So Mr. Speaker, for those reasons I stand in opposition."

Representative Bukoski's Written remarks are as follows:

"In opposition to HR 164, HD 1. This resolution is to reaffirm the meaning of aloha in the face of potential action against Iraq and to support alternative, non-violent solutions to the current crisis in Iraq.

"Mr. Speaker, although I support non-violence over violent action in this case, as I'm sure every individual including the President does, there is a point where we must take action in order to maintain peace. Mr. Speaker, the meaning of aloha, in order to be applied as intended in this resolution, needs to be reciprocated by both parties. In this case, Iraq, does not understand the meaning of aloha, therefore it cannot exist between the two parties. Iraqi children are taught from birth to hate Americans. What kind of aloha do we expect to receive from a country that does not understand the meaning of aloha?"

"The author of the resolution implies that great Hawaiians were that of a peaceful people, yet the author fails to recognize the greatest of recognized Hawaiians, King Kamehameha I, unified the islands of Hawaii by bloodshed and warfare. The author fails to recognize that heroes of civil liberties such as Abraham Lincoln fought against slavery through warfare and bloodshed. The very freedoms we enjoy as Americans today have come out of bloodshed and warfare. Without the threat of war, there cannot exist peace.

"Mr. Speaker, our current President is a peace-seeking leader who continues negotiations of surrender with Iraq. Saddam Hussein and his family was offered asylum prior to the start of the Iraq confrontation in order to avoid warfare and bloodshed. You cannot reason with an unreasonable person.

"Mr. Speaker, this resolution is ill-timed and presents an unrealistic request on our nation's leadership. It undermines our duty to protect the freedoms we enjoy from such tyrants as Saddam Hussein. Mr. Speaker, the war has already begun, and the time for such negotiations, have long passed. This resolution should be held. Thank you, Mr. Speaker."

Representative Hale rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"Mr. Speaker, I am amazed that the opposition that H.R. No. 164, HD 1, and H.C.R. No. 211, HD 1 have engendered. In the Committee hearing, there were 2 with reservations, but not any no votes. It appears that partisanship took precedence over common sense. How can anyone be against our Hawaiian culture of Aloha?"

"It is sad that this war in Iraq has roused such passionate feelings that question even the very patriotism and motives of those who oppose this method of solving a very serious concern of everyone on how to deal with regimes who are

suspected of plotting to use weapons of mass destruction against other countries.

"There was a credible process in place with UN inspectors, but we were unwilling to let them do their job and as a result we could not get the support of the United Nations Security Council as we did in the Gulf War.

"It is my belief that Hawaii should be a leader in the U.S. and in the world in proving that it is possible for people of many different races, cultures, religions and national backgrounds to live peacefully together without resorting to armed violence against each other. This is the spirit of Aloha, which is all the Resolution was trying to say.

"Something to keep in mind:

To announce that there must be no criticism of the President, or that we are to stand by the President, right or wrong, is not only unpatriotic and servile, but is morally treasonable to the American public.

*Theodore Roosevelt, 26th US President (1858-1919)"*

At 2:30 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:32 o'clock p.m.

At this time, the Chair stated:

"Members, we are on page 3 and we have just completed a very lively debate on Standing Committee Reports 1373 and 1374. Is there any further discussion on all these measures before us, before the Chair calls for the question?"

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 164, HD 1, entitled: "HOUSE RESOLUTION REAFFIRMING THE VALUE AND MEANING OF ALOHA IN THE FACE OF MILITARY ACTION AGAINST IRAQ," was adopted, with Representatives Blundell, Bukoski, Ching, Evans, Finnegan, Fox, Halford, Jernigan, Leong, Meyer, Moses, Ontai, Pendleton, Stonebraker, Tamayo and Thielen voting no, and with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused;

and

H.C.R. No. 211, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REAFFIRMING THE VALUE AND MEANING OF ALOHA IN THE FACE OF MILITARY ACTION AGAINST IRAQ," was adopted, with Representatives Blundell, Bukoski, Ching, Evans, Finnegan, Fox, Halford, Jernigan, Leong, Meyer, Moses, Ontai, Pendleton, Stonebraker, Tamayo and Thielen voting no, and with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1375) recommending that S.B. No. 582, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 582, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1376) recommending that S.B. No. 1394, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1394, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1377) recommending that S.B. No. 1395, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1395, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AMENDMENT OR REPEAL OF OBSOLETE TAX LAWS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1378) recommending that S.B. No. 1134, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1134, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am just rising to ask that a no vote be recorded for me on this bill. This bill would create some new fees. One is \$20, the other is \$50, to go into a special fund for the Judiciary computer system. I think in Committee we heard it would cost somewhere around \$5 million, and those are my reasons for being against this."

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

"On the same measure, no Mr. Speaker. We heard they thought it would be \$5 million. We also heard testimony that other jurisdictions have done similar things and they are still at \$20 million and growing. Thank you, Mr. Speaker."

Representative Stonebraker rose in opposition to the measure and asked that the remarks of Representative Meyer be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1134, SD 1,

HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT COSTS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Jernigan, Meyer, Moses and Stonebraker voting no, and with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1379) recommending that S.B. No. 1425, SD 2, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1425, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS MENTORING OF YOUTH AND YOUNG ADULTS," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1380) recommending that S.B. No. 843, SD 1, HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 843, SD 1, HD 2, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. Our Minority Leader will cast a no vote for me on this. I would just like to explain my no vote. Mr. Speaker, there are some very good provisions in this bill. However, I don't agree with the concept of safe harbors and I certainly don't agree with extending them to the government. It will soon be that we have more safe harbors and less endangered species. Thank you."

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

"Mr. Speaker, I am also voting no, but for different reasons. I think this is a good bill because the government, the public lands sometimes run into problems, like we have out in the Kapolei area with an endangered species plant, and I think this is a good idea. I believe that safe harbor agreements are a good way to address these issues, but my reason for going no is because this particular bill allows for citizens suits. I think this can be very easily abused and that is the reason for my no vote."

Representative Saiki rose and stated:

"Mr. Speaker, I call for the question and ask that Members be permitted to insert comments."

The Chair then stated:

"Is that okay, Members of this House? Okay."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 843, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION OF AQUATIC LIFE, WILDLIFE, AND LAND PLANTS," passed Third Reading by a vote of 42 ayes to 2 noes, with Representatives Meyer and Thielen voting no, and with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

The Chair directed the Clerk to note that S.B. No. 1425, SD 2, HD 1; and S.B. 843, SD 1, HD 2 passed Third Reading at 2:37 o'clock p.m.

### THIRD READING

#### S.B. No. 1258, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1258, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

#### S.B. No. 1334, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1334, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE INTERNET PORTAL," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

#### S.B. No. 1413, HD 1:

Representative Saiki moved that SB. No. 1413, HD 1, pass Third Reading, seconded by Representative Lee.

Representative Hale rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hale's written remarks are as follows:

"Mr. Speaker, in 2002 we finally settled the issue of building the infrastructure for the project called Kikala-Keokea that was to fulfill a promise made to the residents of the Hawaiian Village at Kalapana to recreate their community along with their constitutional rights and benefits. We passed a bill that enlisted the cooperation of OHA and the use of \$1,750,000 of special fund authorization, which had never been used.

"We have been monitoring this project and have insisted that it move along expeditiously. However unforeseen circumstances may delay the project's completion and therefore this bill merely extends the date that the funds will expire to December 31, 2004."

The motion was put to vote by the Chair and carried and S.B. No. 1413, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

#### S.B. No. 579, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 579, SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DEVELOPMENT OF A NON-EMERGENCY REPORT SYSTEM, KNOWN AS 3-1-1," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

#### S.B. No. 69, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 69, SD 1, HD 1,

entitled: "A BILL FOR AN ACT RELATING TO THE TEACHER EDUCATION COORDINATING COMMITTEE," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

**S.B. No. 1396:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1396, entitled: "A BILL FOR AN ACT RELATING TO THE ADMINISTRATION OF TAXES," passed Third Reading by a vote of 44 ayes, with Representatives Caldwell, Ito, Kanoho, Kawakami, Morita, Schatz and Takai being excused.

The Chair directed the Clerk to note that S.B. Nos. 1258, SD 1, HD 1; 1334, HD 1; 1413, HD 1; 579, SD 1; HD 1; 69, SD 1, HD 1; and 1396 passed Third Reading at 2:38 o'clock p.m.

**ANNOUNCEMENTS**

Representative Shimabukuro: "I just wanted to wish happy birthday to my colleague, Representative Nishimoto."

Representative Stonebraker: "Mr. Speaker, yesterday I wrote a letter to the Majority Leader for a challenge to debate on the 'three strikes' issue. I just want to open that up to the forum so that everybody's voice could be heard in the interim and so forth. I would ask the Members to encourage the Majority Leader to offer me the indulgence to have such a positive and productive debate. Thank you."

Representative Arakaki: "Pardon me for being so late. Mr. Speaker. At a time when our troops in Iraq are approaching the city of Baghdad, and at greater risk, on your behalf and also in the behalf of Representatives Mike Kahikina, David Pendleton and Senator Norman Sakamoto, we want to invite everyone on the floor, as well as our staff, or anyone here at the Capitol to join us for a prayer circle from 11:00 to 12:00 noon in the rotunda. No matter how we feel about the actions in the Middle East, we do want to pray for those on both sides, for their lives. That the loss of life be kept to a minimum. I want to lift all of them up. And it is not just for Christians, but we invited different leaders from different faiths to also join us at this time. At noon, we are going to ask everyone to just stop what they are doing and take some time to either pray or reflect on what is happening."

**ADJOURNMENT**

At 2:41 o'clock p.m. on motion by Representative Lee, seconded by Representative Meyer and carried, the House of Representatives adjourned until 5:00 o'clock p.m., tomorrow, Friday, April 4, 2003. (Representatives Caldwell, Hale, Hiraki, Ito, Kawakami, Kanoho Morita, Schatz and Takai were excused.)

## FORTY-SEVENTH DAY

Friday, April 4, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 5:41 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Keahi Renaud, Hui 'o Pu'u Kohola, after which the Roll was called showing all members present with the exception of Representatives Blundell, Hiraki, and Pendleton, who were excused.

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

## GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 228 through 236) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 228, transmitting copies of the Environmental Report Card, 2002.

Gov. Msg. No. 229, transmitting copies of the Report Requesting Monthly Notification of Expenditures from the Director of Health Relative to the Felix Consent Decree Made to the United States Ninth District Court, the Felix Special Monitor, the Felix Monitoring Project, or Any Another (sic) Agent of the United States Judiciary – For the Month of October 2002.

Gov. Msg. No. 230, transmitting the report Requiring the Department of Health and the Organ Donor Center of Hawaii on the Deposits and Disbursements from the Special Fund and Report on the Effectiveness of Its Use Towards Increasing Organ Donations.

Gov. Msg. No. 231, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 814, RELATING TO TRAFFIC INFRACTIONS (ACT 004)

Gov. Msg. No. 232, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 815, RELATING TO THE COURTS (ACT 005)

Gov. Msg. No. 233, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 1022, RELATING TO EXPUNGEMENT (ACT 006)

Gov. Msg. No. 234, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 1220, RELATING TO THE HAWAII PAROLING AUTHORITY (ACT 007)

Gov. Msg. No. 235, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 1276, HD 1, RELATING TO ELECTIONS (ACT 008)

Gov. Msg. No. 236, informing the House that on April 3, 2003, the following bill was signed into law:

H.B. No. 1302, RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS (ACT 009)

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 475 through 504) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 475, informing the House that the Senate has disagreed to the amendments proposed by the House to the following Senate Bills:

S.B. No. 345, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES";

S.B. No. 585, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS";

S.B. No. 870, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOMELESS SERVICES";

S.B. No. 1049, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION"; and

S.B. No. 1353, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR MEDICAID".

Sen. Com. No. 476, transmitting S.C.R. No. 18, entitled: "SENATE CONCURRENT RESOLUTION REAFFIRMING THE STATE OF HAWAII'S COMMITMENT TO CIVIL LIBERTIES AND THE BILL OF RIGHTS," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 477, transmitting S.C.R. No. 23, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE GOVERNOR TO ALLOCATE ADEQUATE FUNDING TO THE HAWAII STATE COMMISSION ON THE STATUS OF WOMEN TO ENABLE IT TO CARRY OUT ITS MISSION AND DUTIES AS MANDATED BY LAW," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 478, transmitting S.C.R. No. 86, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION CONVENING A TASK FORCE TO DETERMINE WHETHER HAWAII SHOULD ENACT A THREE STRIKES LAW," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 479, transmitting S.C.R. No. 93, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF AN AD HOC COMMITTEE TO STUDY THE CONTINUATION OF SERVICES AFTER THE PLANNED CLOSING OF THE CASEY FAMILY PROGRAMS' HAWAII OFFICES," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 480, transmitting S.C.R. No. 115, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE CONTINUED AVAILABILITY OF A STATEWIDE NETWORK OF MULTI-PURPOSE SENIOR CENTERS," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 481, transmitting S.C.R. No. 119, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII SUPREME COURT TO MAKE PUBLIC THE



DISPOSITION OF ATTORNEY DISCIPLINARY PROCEEDINGS," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 482, transmitting S.C.R. No. 193, entitled: "SENATE CONCURRENT RESOLUTION URGING THE U.S. CONGRESS TO RECOGNIZE THE MERITS AND SUCCESSES OF THE HEAD START PROGRAM AND TO REJECT ANY PROPOSAL TO LIMIT THE PROGRAM'S SCOPE OR TO MOVE IT FROM THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES TO THE U.S. DEPARTMENT OF EDUCATION," which was adopted by the Senate on April 3, 2003.

Sen. Com. No. 483, transmitting H.B. No. 1172, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM SECURITIES ACT," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 484, transmitting H.B. No. 192, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ACCRETED LANDS," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 485, transmitting H.B. No. 285, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE PROCEDURE," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 486, transmitting H.B. No. 373, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO POLITICAL SPEECH," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 487, transmitting H.B. No. 385, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PREVENTION OF WORKPLACE VIOLENCE," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 488, transmitting H.B. No. 651, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMED CONSENT," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 489, transmitting H.B. No. 731, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 490, transmitting H.B. No. 914, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL CARE HOMES," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 491, transmitting H.B. No. 1161, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGIST LICENSING REQUIREMENTS," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 492, transmitting H.B. No. 1198, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD LABOR," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 493, transmitting H.B. No. 1217, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," which passed Third Reading in the Senate on April 3, 2003.

Sen. Com. No. 494, transmitting S.C.R. No. 25, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENCOURAGE

THE USE OF CLOSED-CAPTIONING TELEVISION TO TEACH READING TO STUDENTS," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 495, transmitting S.C.R. No. 32, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO USE RESEARCH-BASED CURRICULUM AND STANDARDS-BASED CLASSROOM ASSESSMENTS, IN ADDITION TO LARGE-SCALE ACHIEVEMENT TESTS, TO MEET THE REQUIREMENTS OF THE NO CHILD LEFT BEHIND ACT," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 496, transmitting S.C.R. No. 51, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO SUBMIT A REPORT ON THE STATUS AND EFFECTIVENESS OF STUDENT FINANCIAL AID PROGRAMS," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 497, transmitting S.C.R. No. 58, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ESTABLISH PROCEDURES AND GUIDELINES BY WHICH HOME-SCHOOLED STUDENTS ARE ABLE TO PARTICIPATE IN EXTRACURRICULAR AND CO-CURRICULAR ACTIVITIES AT PUBLIC SCHOOLS," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 498, transmitting S.C.R. No. 59, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT AND IMPLEMENTATION OF CURRICULUM GUIDELINES FOR INSTRUCTION ON THE HISTORICAL FACTS AND IMPACT UPON OUR NATION OF THE INTERNMENT OF JAPANESE AMERICANS DURING WORLD WAR II," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 499, transmitting S.C.R. No. 60, entitled: "SENATE CONCURRENT RESOLUTION URGING THE ESTABLISHMENT OF A TEACHER CADET PROGRAM TO RECRUIT HAWAII'S BRIGHTEST AND BEST PUBLIC HIGH SCHOOL STUDENTS FOR TEACHING CAREERS IN THE HAWAII PUBLIC SCHOOL SYSTEM," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 500, transmitting S.C.R. No. 120, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A REPORT ON THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS' PLANS AND POLICIES AFFECTING PUBLIC, EDUCATIONAL, OR GOVERNMENTAL ACCESS TELEVISION," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 501, transmitting S.C.R. No. 147, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION AND THE UNIVERSITY OF HAWAII TO COLLABORATIVELY DEVELOP AN IMPLEMENTATION PLAN TO ESTABLISH CERTIFICATED PUBLIC SCHOOLS," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 502, transmitting S.C.R. No. 150, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE ON ASIA-PACIFIC EDUCATION TO ENSURE THAT HAWAII'S STUDENTS MEET HIGH PERFORMANCE STANDARDS IN EDUCATION ABOUT ASIA AND THE PACIFIC AND UNDERSTAND THE IMPACT OF THE STATE'S

RELATIONSHIP WITH THE REGION," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 503, transmitting S.C.R. No. 151, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE UNIVERSITY OF HAWAII'S RESEARCH ENTERPRISE AND REQUESTING THE DEVELOPMENT AND IMPLEMENTATION OF A FIVE YEAR PLAN FOR ITS EXPANSION," which was adopted by the Senate on April 4, 2003.

Sen. Com. No. 504, transmitting S.C.R. No. 181, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENTER INTO AN AGREEMENT WITH THEODORA MALLICK FOR THE CONSTRUCTION OF THE PAHOA SCHOOL GYMNASIUM," which was adopted by the Senate on April 4, 2003.

At 5:51 o'clock p.m., Representative Luke requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:51 o'clock p.m.

At 5:52 o'clock p.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:52 o'clock p.m.

On motion by Representative Saiki, seconded by Representative Lee and carried, the House disagreed to the amendments made by the Senate to H.B. Nos.: 192, HD 1, (SD 1); 285, HD 1, (SD 2); 373, HD 2, (SD 1); 385, HD 2, (SD 2); 651, HD 2, (SD 1); 731, HD 1, (SD 1); 914, HD 2, (SD 1); 1161, HD 1, (SD 1); 1198, HD 2, (SD 2); 1217, HD 1, (SD 1), and requested a conference on the subject matter of said amendments. (Representatives Blundell, Hiraki and Pendleton were excused.)

#### ORDER OF THE DAY

##### COMMITTEE ASSIGNMENTS

The following Senate Concurrent Resolutions were referred to committee by the Speaker:

<u>S.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
18	Committee on Judiciary
23, SD 1	Committee on Judiciary
86, SD 1	Committee on Judiciary, then to the Committee on Finance
93, SD 1	Committee on Human Services and Housing
115, SD 1	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance
119	Committee on Consumer Protection and Commerce, then to the Committee on Judiciary

193 Jointly to the Committee on Human Services and Housing and the Committee on Education, then to the Committee on Finance

##### COMMITTEE REASSIGNMENTS

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

<u>H.C.R.</u> <u>Nos.</u>	<u>Re-referred to:</u>
32	Committee on Transportation
224	Jointly to the Committee on Water, Land Use, and Hawaiian Affairs and the Committee on Judiciary and the Committee on Consumer Protection and Commerce

##### SUSPENSION OF RULES

On motion by Representative Lee, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar. (Representatives Blundell, Hiraki and Pendleton were excused.)

##### UNFINISHED BUSINESS

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1328) recommending that S.B. No. 42, SD 1, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 42, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATERCRAFT," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Waters voting no, and Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1329) recommending that S.B. No. 474, SD 2, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 474, SD 2, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, in opposition. Briefly, I believe there is a separation of powers issue that is important, and therefore I am voting no."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 474, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AUDITOR," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Halford voting no, and Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1330) recommending

that S.B. No. 1324, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1324, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONCILIATION PANELS," passed Third Reading by a vote of 48 ayes, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1331) recommending that S.B. No. 1405, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1405, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," passed Third Reading by a vote of 48 ayes, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1332) recommending that S.B. No. 255, SD 2, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 255, SD 2, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Again Mr. Speaker, briefly. I don't know that this bill has sufficiently been thought through. I am in opposition, and for that reason I am voting no."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 255, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Halford voting no, and Representatives Blundell, Hiraki and Pendleton being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1333) recommending that S.B. No. 1312, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1312, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 48 ayes, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1334) recommending that S.B. No. 506, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 506, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GEOTHERMAL ROYALTIES," passed Third Reading by a vote of 48 ayes, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1335) recommending

that S.B. No. 402, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 402, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL EDUCATION," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Stonebraker voting no, and Representatives Blundell, Hiraki and Pendleton being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1336) recommending that S.B. No. 773, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 773, HD 2, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE," passed Third Reading by a vote of 40 ayes to 8 noes, with Representatives Bukoski, Finnegan, Jernigan, Leong, Meyer, Moses, Ontai and Stonebraker voting no, and with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1337) recommending that S.B. No. 880, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 880, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, in opposition. Not quite as briefly. Sorry. Mr. Speaker, we've had in statute the Legislative Analyst for many, many years. It is unfortunate that in our lack of wisdom, that we have not implemented that statute. We never funded the Legislative Analyst. I think it is good legislation and we should implement it.

"This bill repeals the Legislative Analyst in favor of some other misguided concept. Additionally Mr. Speaker, and along the same lines, our Constitution mandates that the Legislative Auditor audit all State finances. It's never been implemented. These two, the Legislative Analyst and Legislative Auditor are important functions to empower this branch to do its job. This Legislature has failed to act as a true check and balance, as a true participant in our American style of government that we try, that we are constitutionally, that we constitutionally, have the opportunity to have. I think if we just stick to the old plan, implement the old plan, this Legislature can do its job, and our people can benefit from that. Thank you."

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

"I am sorry, Mr. Speaker. I can't let it go. On 1337, I rise in opposition for some of the same reasons that we just heard. But also the appointment of the Director would not be bipartisan. It would be by the Speaker and the Senate President. And as you can see, that may or may not be bipartisan depending on if the two houses of this body are split.

"But it also says that there is total access to the Executive branch. We have no separation in between the Legislative and the Executive branches, and I don't think that is called for, and I don't believe that is totally constitutional either. We should, as

we do have the ability to appropriate the monies for the Executive branch. But I don't think we have the right to go rummage through all their files as this bill provides. Thank you."

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

"I rise in support of this measure. I actually would like to request permission to insert written comments with one brief comment," and the Chair "so ordered."

Representative Saiki continued, stating:

"This bill basically transforms the Legislative Analyst Office into an entity called the Legislative Budget Office. And the LBO would be modeled after the Congressional Budget Office, which performs similar kinds of services that are contained in this bill. It is basically to provide fiscal analysis to the Legislature. The analysis will be objective, comprehensive, and it will enable us to make sound decisions in the future. Thank you."

Representative Saiki's written remarks are as follows:

"Mr. Speaker, I rise in support of S.B. 880.

"This measure will finally fulfill the Legislature's intent to create a bipartisan office that will assist this body in analyzing budgetary and fiscal issues, including fiscal-related legislation. The Legislature attempted to do this when it created the Office of the Legislative Analyst in 1990, but never funded the office. This bill will transform the office into a newly-titled entity called the Legislative Budget Office (LBO).

"The LBO will be modeled after the Congressional Budget Office (CBO). The CBO is a highly-respected bipartisan agency in Washington, D.C. Members of Congress and the President rely on its objective and sound fiscal analysis.

"The LBO will allow the Legislature to fulfill its mandate to properly account for and spend taxpayer dollars.

"Accordingly, I strongly support this measure. Thank you."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of SB 880, HD 2, a bill which will create the Legislative Budget Office.

"The Legislative Budget Office would replace the Office of the Legislative Analyst and the Joint Legislative Budget Committee, neither of which, to the best of my knowledge, have ever been funded. As everyone knows, the State Constitution grants the Legislature a critical role in the formulation of the budget. To effectively carry out that role, the Legislature needs an independent source of information. Moreover, it needs to collect this information year round, not just during the four months the Legislature is in session.

"At the federal level, the Congressional Budget Office plays the role the Legislative Budget Office will play here in Hawaii. The CBO has managed to stay non-partisan despite the bitter partisan battles in Washington and despite changes in control of both the White House and the Senate and the House.

"SB 880 requires that the director of LBO be chosen by the House Speaker and Senate President based on professional

qualifications, not on the basis of partisan affiliation. Accurate information about the State's fiscal status is critical to the Legislature's work and this hiring requirement will help ensure that we receive accurate, unbiased budgetary information.

"I hope my colleagues will support this measure."

Representative Halford rose to respond, stating:

"Mr. Speaker, portions of this new bill might be good, but the Legislative Analyst function provides all of those, and does not include some of the bad things that are in this newly fabricated legislation. The origin of this bill is a 'gut and replace'. As far as I know, no one has testified in favor of this bill through two Committees."

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

"In opposition. One of the undesirable features of this bill is it submerges the Office of the Auditor under a politically appointed, limited ten-year position. We benefit greatly from having the Office of the Auditor as a completely independent agency of the Legislative branch. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 880, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATURE," passed Third Reading by a vote of 39 ayes to 9 noes, with Representatives Ching, Finnegan, Fox, Halford, Leong, Marumoto, Meyer, Moses and Stonebraker voting no, and with Representatives Blundell, Hiraki and Pendleton being excused.

The Chair directed the Clerk to note that S.B. Nos: 42, SD 1, HD 1; 474, SD 2, HD 1; 1324, SD 1, HD 2; 1405, HD 1; 255, SD 2, HD 1; 1312, SD 1, HD 2; 506, HD 2; 402, SD 2, HD 2; 773, HD 2; and 880, HD 2; passed Third Reading at 6:01 o'clock p.m.

## STANDING COMMITTEE REPORTS

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1381), recommending that H.C.R. No. 15, as amended in HD 1, be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 15, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OAHU METROPOLITAN PLANNING ORGANIZATION TO STUDY THE USE OF MULTIDISCIPLINARY ACCIDENT INVESTIGATION TEAMS AND TECHNOLOGY, INCLUDING THE USE OF PHOTOGRAMMETRIC COMPUTER SYSTEMS, TO EXPEDITE ACCIDENT INVESTIGATION PROCEDURES TO MINIMIZE LANE CLOSURES OF ROADWAYS," was referred to the Committee on Judiciary with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented two reports:

(Stand. Com. Rep. No. 1382), recommending that H.R. No. 73, as amended in HD 1, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 1383), recommending that H.C.R. No. 75, as amended in HD 1, be referred to the Committee on Finance.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 73, HD 1 and H.C.R. No. 75, HD 1, be referred to the Committee on Finance, seconded by Representative Lee.

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

"In opposition to 1382 and 1383. I just don't think that we really need a resolution on a fixed rail system around the Big Island. There are some things we do in this Chamber that seems to be a throw back, but this one really takes the cake. Thanks."

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

"More than strong support. The Big Island doesn't wait around until our problems are the same as Oahu. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee was adopted and H.R. No. 73, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO INCLUDE A REVIEW OF THE ECONOMIC FEASIBILITY OF CONSTRUCTING A FIXED RAIL SYSTEM AROUND THE ISLAND OF HAWAII IN THE HAWAII LONG RANGE LAND TRANSPORTATION PLAN," was referred to the Committee on Finance with Representative Fox voting no, and with Representatives Blundell, Hiraki and Pendleton being excused;

and

H.C.R. No. 75, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO INCLUDE A REVIEW OF THE ECONOMIC FEASIBILITY OF CONSTRUCTING A FIXED RAIL SYSTEM AROUND THE ISLAND OF HAWAII IN THE HAWAII LONG RANGE LAND TRANSPORTATION PLAN," was referred to the Committee on Finance with Representative Fox voting no, and with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1384), recommending that H.R. No. 29, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 29, entitled: "HOUSE RESOLUTION REQUESTING A FEASIBILITY STUDY OF THE HIGHWAYS IN THE SKY PROGRAM," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1385), recommending that H.C.R. No. 25, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 25, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A FEASIBILITY STUDY OF THE HIGHWAYS IN THE SKY PROGRAM," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented two reports:

(Stand. Com. Rep. No. 1386), recommending that H.R. No. 152, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 1387), recommending that H.C.R. No. 188, be referred to the Committee on Finance.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 152, and H.C.R. No. 188, be referred to the Committee on Finance, seconded by Representative Lee.

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

"Mr. Speaker, I stand in strong support of 1386 and 1387. Mr. Speaker, this is a possible traffic solution for both Central Oahu and the Leeward Coast. And I'd like to insert some written comments in the Journal," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"I rise in support of the resolutions.

"Flyer stops -- freeway bus stations, allow passengers to board buses at an area directly adjacent to the freeway, and have been suggested as a possible solution to the rapidly growing traffic concerns on Oahu.

"This resolution calls for an examination of this possible traffic solution by the Department of Transportation with a report to the Legislature due before the 2004 session.

"Our citizens are crying out for solutions to the traffic problem we face on Oahu. There is much wasted time and money spent waiting in line on our freeways. I urge the members' support."

The motion was put to vote by the Chair and carried, and the reports of the Committee was adopted and H.R. No. 152, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO STUDY THE FEASIBILITY OF ESTABLISHING FLYER STOPS WITHIN THE RIGHT-OF-WAY OF OAHU'S H-2 FREEWAY AND CONNECTING TO PARK-AND-RIDE FACILITIES," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused;

and

H.C.R. No. 188, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO STUDY THE FEASIBILITY OF ESTABLISHING FLYER STOPS WITHIN THE RIGHT-OF-WAY OF OAHU'S H-2 FREEWAY AND CONNECTING TO PARK-AND-RIDE FACILITIES," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representatives Souki and M. Oshiro, for the Committee on Transportation and the Committee on Labor and Public Employment presented a report (Stand. Com. Rep. No. 1388), recommending that H.R. No. 173, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 173, entitled: "HOUSE RESOLUTION REQUESTING THE DIRECTOR OF HUMAN RESOURCES DEVELOPMENT TO ESTABLISH

A VOLUNTARY PUBLIC TRANSIT BENEFIT PROGRAM FOR STATE EMPLOYEES," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representatives Souki and M. Oshiro, for the Committee on Transportation and the Committee on Labor and Public Employment presented a report (Stand. Com. Rep. No. 1389), recommending that H.C.R. No. 221, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 221, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DIRECTOR OF HUMAN RESOURCES DEVELOPMENT TO ESTABLISH A VOLUNTARY PUBLIC TRANSIT BENEFIT PROGRAM FOR STATE EMPLOYEES," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1390), recommending that H.R. No. 111, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 111, entitled: "HOUSE RESOLUTION REQUESTING AN AUDIT OF THE HAWAII STATE JUDICIARY, DIVISION OF DRIVER EDUCATION," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1391), recommending that H.C.R. No. 134, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 134, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN AUDIT OF THE HAWAII STATE JUDICIARY, DIVISION OF DRIVER EDUCATION," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1392), recommending that H.R. No. 151, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 151, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF HEALTH TO SEEK GRANT FUNDING FROM THE UNITED STATES DEPARTMENT OF HEALTH RURAL HOSPITAL FLEXIBILITY PROGRAM," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1393), recommending that H.C.R. No. 187, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 187, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE

DEPARTMENT OF HEALTH TO SEEK GRANT FUNDING FROM THE UNITED STATES DEPARTMENT OF HEALTH RURAL HOSPITAL FLEXIBILITY PROGRAM," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Kahikina, for the Committee on Human Services and Housing presented a report (Stand. Com. Rep. No. 1394), recommending that H.C.R. No. 155, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 155, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE ALLOCATION OF RESOURCES TO ENSURE MEANINGFUL LANGUAGE ACCESS FOR INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY TO FEDERALLY-ASSISTED PROGRAMS AND SERVICES, AS REQUIRED BY FEDERAL LAW," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1395), recommending that H.C.R. No. 12, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 12, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OFFICE OF THE PUBLIC GUARDIAN TO CONVENE A TASK FORCE TO RE-EVALUATE THE PLACEMENT OF THE OFFICE OF THE PUBLIC GUARDIAN," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1396), recommending that H.R. No. 35, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 35, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION, IN CONJUNCTION WITH THE COUNTY OF HAWAII, TO REVIEW THE CAUSES OF MOTOR VEHICLE COLLISIONS AT THE INTERSECTION OF HIGHWAY 11 AND THE ENTRY ROAD TO THE TOWN OF PAHALA AND MAKE ANY NECESSARY IMPROVEMENTS TO LESSEN THE RISK OF ACCIDENTS," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1397), recommending that H.C.R. No. 30, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 30, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION, IN CONJUNCTION WITH THE COUNTY OF HAWAII, TO REVIEW THE CAUSES OF MOTOR VEHICLE COLLISIONS AT THE INTERSECTION OF HIGHWAY 11 AND THE ENTRY ROAD TO THE TOWN OF PAHALA AND MAKE ANY NECESSARY IMPROVEMENTS TO LESSEN THE RISK OF ACCIDENTS," was referred to the

Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1398), recommending that H.R. No. 45, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 45, HD 1, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO ESTABLISH AN INTERGOVERNMENTAL-COMMUNITY TASK FORCE TO PLAN FOR THE DEVELOPMENT OF AN ALTERNATIVE ACCESS ROAD TO KAILUA HIGH SCHOOL IN KAILUA, O'AHU," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1399), recommending that H.C.R. No. 41, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 41, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO ESTABLISH AN INTERGOVERNMENTAL-COMMUNITY TASK FORCE TO PLAN FOR THE DEVELOPMENT OF AN ALTERNATIVE ACCESS ROAD TO KAILUA HIGH SCHOOL IN KAILUA, O'AHU," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1400), recommending that H.R. No. 56, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 56, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE OAHU METROPOLITAN PLANNING ORGANIZATION, IN CONJUNCTION WITH THE DEPARTMENT OF TRANSPORTATION SERVICES OF THE CITY AND COUNTY OF HONOLULU, TO REVIEW THE TRANSPORTATION PLAN FOR AND DETERMINE THE CARRYING CAPACITY OF OAHU'S ROADWAYS," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1401), recommending that H.C.R. No. 53, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 53, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OAHU METROPOLITAN PLANNING ORGANIZATION, IN CONJUNCTION WITH THE DEPARTMENT OF TRANSPORTATION SERVICES OF THE CITY AND COUNTY OF HONOLULU, TO REVIEW THE TRANSPORTATION PLAN FOR AND DETERMINE THE CARRYING CAPACITY OF OAHU'S ROADWAYS," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1402), recommending that H.C.R. No. 136, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 136, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION, DEPARTMENT OF TRANSPORTATION SERVICES OF THE CITY AND COUNTY OF HONOLULU, HONOLULU POLICE DEPARTMENT, AND THE UNITED STATES DEPARTMENT OF DEFENSE TO COORDINATE AND IMPLEMENT RESPONSES TO WAIANAE COAST TRAFFIC CONCERNS," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1403), recommending that H.C.R. No. 123, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 123, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A FINANCIAL AND MANAGEMENT AUDIT OF THE PUBLIC, EDUCATION, AND GOVERNMENT ACCESS ORGANIZATIONS," was referred to the Committee on Finance with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1404) recommending that H.C.R. No. 32, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 32, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONDUCT A STUDY OF THE FEASIBILITY OF AUTHORIZING TOLL ROADS FOR MOTOR VEHICLE TRAFFIC IN THE STATE," was adopted, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 1405) recommending that H.C.R. No. 63, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 63, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OAHU METROPOLITAN PLANNING ORGANIZATION TO CONSIDER THE WAIANAE SECOND ACCESS ROAD PROJECT IN ITS REGIONAL TRANSPORTATION PLAN OF 2004 AND TO IDENTIFY IMMEDIATE SOURCES OF FUNDING FOR THE PROJECT," was adopted, with Representatives Blundell, Hiraki and Pendleton being excused.

Representatives Kanohe and Chang, for the Committee on Water, Land Use, and Hawaiian Affairs and the Committee on Tourism and Culture presented a report (Stand. Com. Rep. No. 1406) recommending that H.R. No. 155, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee

was adopted and H.R. No. 155, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE HAWAII TOURISM AUTHORITY TO COLLABORATE IN PRESERVING AND PROTECTING HAWAII'S BEACHES FOR RESIDENTS AND VISITORS," was adopted with Representatives Blundell, Hiraki and Pendleton being excused.

Representatives Kanoho and Chang, for the Committee on Water, Land Use, and Hawaiian Affairs and the Committee on Tourism and Culture presented a report (Stand. Com. Rep. No. 1407) recommending that H.C.R. No. 192, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 192, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE HAWAII TOURISM AUTHORITY TO COLLABORATE IN PRESERVING AND PROTECTING HAWAII'S BEACHES FOR RESIDENTS AND VISITORS," was adopted, with Representatives Blundell, Hiraki and Pendleton being excused.

Representative Hamakawa, for the Committee on Judiciary presented two reports:

(Stand. Com. Rep. No. 1408) recommending that H.R. No. 34, be adopted; and

(Stand. Com. Rep. No. 1409) recommending that H.C.R. No. 29, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 34, and H.C.R. No. 29, be adopted, seconded by Representative Lee.

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

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

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

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

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

Representative Mindo rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I speak in favor of the resolution. But first, Mr. Speaker, let me congratulate you on your decision to establish a Committee on International Relations within the House of Representatives.

"Your willingness to recognize the changes in the world, which has made the world smaller and created a global

awareness in many of us, is admirable. We are now in one of the most challenging periods in the history of our nation, and we need a broad understanding of world issues to enable us to better deal with the problems of Hawaii.

"A few years ago, bringing a resolution of international significance before this House would have brought forth a rash of criticism -- those days are gone and our media understand we live in a global society.

"Why does the Global Gag Rule undermine U.S. foreign policy and harm women's health?

"Family planning opponents in Congress have long sought to place burdensome restrictions on U.S. population assistance. One such restriction is the global gag rule, which is detrimental to US Foreign policy objectives, family planning programs in developing countries and to women's health.

"The Global Gag Rule is a US policy that denies foreign organizations receiving US family planning assistance the right to use their own, non-US funds to either engage in public policy debates or to perform legal terminations of pregnancy. The global gag rule was originally announced by the Reagan Administration at the 1984 United Nations International conference in Mexico City (for this reason, the policy is also referred to as the "Mexico City Policy").

"The policy disqualifies foreign non-governmental organizations from receiving US family planning funds if they provide legal services, counseling or referral for abortion. This policy remained in effect until 1993, when it was rescinded by President Clinton. It was reinstated by President George Bush in 2001, his first day in office.

"Mr. Speaker, the Global Gag Rule is flawed foreign policy. US law and policy already ensures that no US taxpayers funds pay for abortions overseas. Since 1973 the Helms Foreign Assistance Act has prohibited the use of us funds for abortion service.

"The Global Gag Rule confuses the issue. US family planning assistance funds family planning, not abortion.

"The Global Gag Rule undermines US efforts to promote democracy around the world, by stifling public debate, and by undermining a basic tenet of US foreign policy -- the promotion of democracy abroad and its core principle of free and open debate.

"The Global Gag Rule restrictions would be unconstitutional if applied domestically, and the Gag Rule prevents foreign NGOs from engaging in activities that are legal in their own countries. The restrictions discriminate against private organizations, contrary to US efforts to expand their role in civil society.

"Access to family planning makes a huge difference in women's lives. Ninety two percent of Americans support the right to plan one's family, which is a basic health care service, and access to family planning helps reduce reliance on abortion and deaths caused by unsafe abortions.

"In today's world, the Gag Rule makes no good sense. Cutbacks in family planning services would likely lead to an increase in abortions, and interferes with the ability to provide appropriate medical care. I have not mentioned the economic and social consequences of this policy, however, I believe I have made my point. I urge the members to support this resolution which has tremendous international implications."



The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 34, entitled: "HOUSE RESOLUTION REQUESTING CONGRESS TO END THE 'GLOBAL GAG RULE' IMPOSED ON INTERNATIONAL FAMILY PLANNING ORGANIZATIONS," was adopted, with Representatives Finnegan, Leong, Meyer, Moses, Stonebraker and Tamayo, voting no, and with Representatives Blundell, Hiraki and Pendleton being excused;

and

H.C.R. No. 29, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING CONGRESS TO END THE 'GLOBAL GAG RULE' IMPOSED ON INTERNATIONAL FAMILY PLANNING ORGANIZATIONS," was adopted, with Representatives Finnegan, Leong, Meyer, Moses, Stonebraker and Tamayo, voting no, and with Representatives Blundell, Hiraki and Pendleton being excused.

At this time, the Chair announced:

"Members, Standing Committee Report No. 1412 will be taken up at the end of the calendar, so we can take the rest up at this point. Okay, everyone got that?"

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1412) recommending that S.B. No. 459, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, the report of the Committee and S.B. No. 459, SD 1, HD 1, were deferred to the end of the calendar.

#### LATE INTRODUCTION

The following late introduction was made to the members of the House:

Representative Thielen introduced Mr. Henry Curtis and Ms. Kat Brady of Life of the Land.

#### STANDING COMMITTEE REPORTS

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1410) recommending that S.B. No. 1274, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1274, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MANSLAUGHTER," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1411) recommending that S.B. No. 1234, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1234, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ALCOHOLIC BEVERAGES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1413) recommending that S.B. No. 299, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 299, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARDS OF CONDUCT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1414) recommending that S.B. No. 614, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 614, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1415) recommending that S.B. No. 1075, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1075, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am rising to speak against the contested case bill, S.B. 1075, SD 1, HD 1, and it is Standing Committee Report No. 1415.

"Mr. Speaker, the provision in Chapter 91 allowing for contested cases has been one way that our State government has leveled the playing field for environmental groups. Obviously environmental groups are not well-funded. Obviously they can't hire the big Bishop Street attorneys. They have to really rely upon pro bono counsel or possibly fundraising to be able to help cover their legal expenses. Chapter 91 was enacted under Democrat leadership, and it really set forth a very good process where these environmental groups and other community groups could apply for a contested case before an agency to challenge either an applicant's project or a government project. The contested case proceeding was one that really made things much more fair and actually allowed the government, this decision-making body, to have more facts before that body reached a decision.

"I wanted to go back into a couple of cases Mr. Speaker, from the 1970s, which litigated under the contested case provision and established case law really enforcing the rights for these environmental groups. I think you'll recognize some of the names. Durell Douthit, Joel August, Associate Counsel, Legal Aid Society of Hawaii, for plaintiffs. And in this case, the plaintiffs were low-income plaintiffs suing the Hawaii Housing Authority. Because of the contested case provisions, these matters became much more fair before the decision-making body. In this one, one of the holdings of the Hawaii Supreme Court is as follows. "The adjudicatory procedures of

the Hawaii Administrative Procedures Act apply to hearings which an agency is constitutionally required to provide."

"Mr. Speaker, before I just mention the other case and the well-known figure who acted *pro se* in that, let me just tell you what S.B. 1075, SD 1, HD 1, will do. It is going to allow, it is going to direct an agency to encourage parties to a contested case hearing under the Chapter to participate in mediation prior to the hearing, subject to conditions imposed by the agency. The agency then can suspend all other proceedings in the contested case until this mediation is concluded. If the parties are unable to jointly select a mediator within 10 days of the referral to mediation, the agency selects the mediator. This is the same agency that will be sitting in a quasi-judicial position, as the judge in the case. So the agency, probably predisposed to the outcome at that point, will select the mediator. And here is the real clinker. All costs of the mediation shall be borne equally by the parties, unless otherwise agreed or ordered by the agency or provided by law.

"So the reality of that is all costs are going to be shared 50-50. When you take a Bishop Street attorney representing Hawaiian Electric in the high power line case, how fast do you think that Bishop Street attorney could run up those costs? Within 1, 2, 3 days. It can be in the hundreds of thousands of dollars. Which Hawaiian Electric can handle.

Representative Leong rose to yield her time, and the Chair "so ordered."

Representative Thielen continued, stating:

"Hawaiian Electric can handle those costs easily. All it does is pass them on to the ratepayers, all of us in this State. But what happens to Life of the Land? What happens to the Sierra Club? What happens to that community group, the Manoa residents that are banding together to try to stop that high tension line, that high power line, from going in? They would be foolhardy to even go into a contested case proceeding, or to go into the mediation. So this isn't just a chilling effect upon the ability of a community group to protect our environment. It is an iceberg, a deluge of ice and frost over those community groups. They just won't be able to step forward. The figures are too high. The process is too slanted.

"Let me just read about another one of our leaders of today. I think we all know Judge Michael Town, Family Court Judge for many decades. Michael Town, *pro se*, handled the case of *Town v Land Use Commission*. And here is the holding of the State Supreme Court. "All state and county boards, commissions, departments or offices must conform to the requirements of the Hawaii Administrative Procedure Act ... in the adjudication of a contested case (quasi-judicial)." They had to litigate to implement the provisions of Chapter 91, and for 30 years, that provision, which was Democrat controlled and established, has worked for this State. It has allowed community groups and environmental groups to protect our natural resources. So we now end up with a bill, however well intended, and I am sure that the Vice Chair of Judiciary is going to get up with a very well-prepared speech. However well-intended, here we are with a bill that is going to stop the community groups from doing anything.

"I'd like to quote from Life of the Land:

This bill proposes that after a request for a Contested Case Hearing is made, the Board could impose on the parties a mediation process.

"While the bill as amended says that the Board shall encourage the parties. Well if you are encouraged by the Board of Land and Natural Resources and you are the community

group, you are not going to 'thumb your nose' to DLNR. You are going to feel pressured and forced to go into it. So while it is encouraged, they hold all the cookies. They are the decision makers and if they encourage a non-profit environmental group to go into mediation, that group is going to feel compelled to do it.

When the mediator brings a recommendation to the Board, the same procedural problem exists. In order to ascertain whether the Board will accept the recommendation of the mediator, a vote by [this very same] Board must be taken. But once the vote is taken, no contested case can occur ...

because the board has already voted on the issue that would have been part of the contested case. Life of the Land goes ahead:

For community groups, mediation often is far worse than a contested case hearing. Community groups can expose bad planning and poor analysis through the use of discovery and cross-examination.

That is in a contested case, Mr. Speaker. I will continue with Life of the Land ..."

Representative Stonebraker rose and yielded his time, asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Thielen continued, stating:

"Thank you. They can show alternatives. These are the community groups. They can show alternatives through the use of experts and exhibits. Mediation allows for none of these. Instead it imposes a strict timeline. As amended, the bill says 30 days. And a financial burden, 50% of mediation costs. That's \$200 to \$300 an hour that we are talking. In complex cases, mediation favors rich corporations with 'deep pockets.' In mediation cases where community groups successfully win and thus are able to protect public trust assets from stupid ideas, they are handed a large financial bill. This alone will discourage intervention and effectively deny community participation.

"Mr. Speaker, this bill is not needed. For 30 years, Chapter 91 has been a landmark law in our State. We don't need to go into it and change it at this point with a bill that had one hearing on the Senate side in their Judiciary Committee, one hearing in the House side in our Judiciary Committee. No hearings by the Environmental Committees that really are going to be deeply affected by this. And Mr. Speaker if you and other colleagues in this House have not heard from environmental groups, I would guarantee you that you will on Monday.

"It is a bad bill, it is a bad idea. There is no need to rush to destroy what your Party Mr. Speaker, put together 30 years ago. It is not benign. It is not voluntary, because the pressure would be there to go into it, but it will bankrupt our environmental groups or prevent them from stepping in to protect and preserve our environment. I would strongly urge Members in the House to vote no on this measure. It is the most anti-environmental bill that I have seen this Session. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I rise in support of this measure. I guess I wanted to clarify. There was a lot of testimony cited by Life of the Land and I have a lot respect for them. And we did listen to their testimony and that is why most importantly, on lines 4 and 5 of the bill, we changed the title of this section

from, "Mandatory mediation in contested cases," to just "Mediation ...". And then we got rid of the 'require' and we changed it to 'encourage'. Because that way it is not a mandate. The parties no longer are just required to participate in mediation as was originally proposed in the SD 1.

"And that is really important because you know, in my experience, I have participated in mediation on both sides and really mediation is a tool, very, very separate from litigation. And that is what contested case hearings are. Contested cases are litigation. But what you are doing is portraying to opposite sides. But in mediation, mediation only works when there are areas of cooperation. Mediation does not work when they're so disparate in two different philosophical points of view that nothing will get accomplished. A mediator cannot extend the mediation for more than a day if they see that there is no area of compromise. But more often than not, there are areas of compromise.

"Even for such contested cases in environmental issues because what you can do is limit the scope of issues and you can thereby, most importantly, shorten perhaps the contested case. Because you know what issues are at hand, you know what facts you can agree to, and you know sometimes you can even agree to the experts reports and therefore you don't need to call the expert down to testify in the contested case.

"So let's say that in the mediation we have this expert coming in to talk about water quality. We hire this expert from the mainland. He cost \$2,000 a day. We have his report. But you know what? In a contested case you need to call him down you need to present it as evidence. You need to admit it because you have to create the record. But in mediation what you can do is if the other side is agreeable, they can say you know what we'll agree. We'll recognize that your facts can come in as they are. We'll recognize that your report can come in as it is, and we'll just stipulate to that. That kind of cooperation and communication will not go on without mediation or some kind of communication.

"And as the person on the Board of Land and Natural Resources, or the Public Utilities Commission, really what they want to do is have an expedited contested case. Because they only want to know what are the central issues being challenged. And what are the central issues that the two parties cannot agree upon. That is what mediation will do. It will focus the issues down to what is necessary when it comes to these environmental issues that have previously been cited.

"There are many, many, many other instances when I think mediation will work for other agencies besides just the environment. The Hawaii Civil Rights Commission came in and said, "This would be perfect for us." Because they see an opportunity to perhaps shorten those challenges that happen before them. And that will benefit all of the businesses because they no longer have to be tied up in litigation. They no longer have to go to these administrative hearings over discrimination claims. They can actually have mediation, perhaps address this, and come up with some kind of compromise. And that is really what mediation is. It is about compromise. And it only works, compromise only works when there is some area in which both sides can agree upon. If two sides cannot agree, I have seen mediations, and you cannot extend a mediation beyond a day. There is just no way. And one day of mediation, even at the highest priced mediator being hired out there, will maybe ..."

Representative Lee rose to yield her time, and the Chair "so ordered."

Representative B. Oshiro continued, stating:

"Thank you. I'll finish up. It will maybe cost \$1,000 or \$2,000, but think about the potential savings if the can cut a week or two out of a contested case hearing. So for those reasons, I stand in support. Thank you."

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

"Mr. Speaker, I'd like to go with reservations. On the floor, when you hear two lawyers on opposing sides, it is hard to be a jury. So I have reservations. Thank you.

Representative Tamayo rose in support of the measure with reservations, and asked that the remarks of Representative Hale be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Thielen rose to respond, stating:

"Thank you, Mr. Speaker. No matter how the Vice Chair of Judiciary tries to paint the bill, it is still not 'green'. Mr. Speaker, the Vice Chair said, "Well, it is not a mandate." But in reality, it becomes the pressure of the environmental group that is trying to challenge Hawaiian Electric. They are told go into mediation. It will limit the scope of the issues. The mediation will focus the issues, and don't worry about it. Hawaiian Electric won't run up the costs, but by the way, you'll have to pay 50% of those costs. Well, Mr. Speaker. We have a real expert up in the gallery that knows how that will work, and Life of the Land would not be able to do what it did under this scheme.

"We have a situation here Mr. Speaker, where we don't need this bill. I realize that you are not going to be able to vote against it tonight on the floor because that is probably considered 'bad form' by your Caucus. I would hope that ..."

The Chair addressed Representative Thielen, stating:

"Representative Thielen, I don't believe that statement is correct."

Representative Thielen continued, stating:

"Okay. Then maybe, I am hoping that there will be some that will stand up for the environment tonight, and cast a no vote. But Mr. Speaker, if they don't, what I would ask you to do is on Monday or over the weekend, contact some of the environmental groups and ask them. Contact the Sierra Club, Jeff Mikulina. Contact Life of the Land, Henry Curtis or Kat Brady. Talk to them about what the real impact of this will be.

"I realize the Vice Chair of Judiciary has had mediation experiences. I don't think he has the length of time in environmental and land use litigation, and I have had that. I would be so reluctant to take any case under this provision, and I think then you are going to end up with the giants that were protecting our environment and protecting Chapter 91 such as Judge Michael Town. You are going to end up losing what they fought for through those years. Mr. Speaker, it is not a benign bill. It is not a 'green' bill. And it is a bill that deserves to quietly be recommitted. Thank you."

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

"Thank you, Mr. Speaker. I rise in strong support. And request that the words of the Vice Chair of Judiciary be recorded as my own because it is reasonable and it makes good sense. Thank you."

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

"Thank you very much, Mr. Speaker. I also would like to rise in strong support of this bill. I also have a lot of experience in mediation, and in fact, arbitration. Members, what this bill does actually is to try to save money and try to save time. Some of you may already have experiences in mediation. If you have been any of our District Courts, there are mediators that are assigned to each District Court and the judge will say in any contested case, if there is any issue unresolved, there is no agreement within the parties, the judge will order the parties to go and sit with that mediator. The mediator will try to save the court some time. Because what the mediator does is actually to listen to both sides and recommend certain things. If you cannot get the two parties to agree, then he goes to the judge and says, "Judge, they will not agree. Give them a trial date." What this bill does is the same thing. It does the same thing.

"When you have two parties under Chapter 91 in a contested case hearing, it is open. What it does, it suspends the hearing process. It does not take it away Mr. Speaker, as the speaker from Kailua has so indicated. It suspends it until the mediation takes place, and if it does take place in a result or an outcome, whether it is yes or no, then it goes back to the hearing officer and the hearing officer will submit the recommendation. If it is in agreement then it will submit the recommendation to the board for decision-making. But if the mediator says the parties cannot agree, then the contested case will proceed. So what happens is they will not lose anything. What they will lose, Mr. Speaker, is maybe, as the Vice Chair said, maybe a day.

"As far as the cost or the fear that they will be a run up for hundreds and thousands of dollars, there is no proof on that. And really, practically speaking, nobody makes that kind of money, \$100,000 in a day.

"The other point that I'd like to make, Mr. Speaker, is I did have a chance to speak with Life of the Land's representatives in my office, and I do share their concern because they may have a special situation. Apparently Life of the Land litigates their own cases themselves. But this bill is not really just for Life of the Land. This bill is for other environmental groups who may use, and they do use, their own attorneys. Attorneys do take a lot of time talking and they do cost money because they get paid for each word that they say. So what happens is they are focusing this on those situations, and we have a lot more of those situations than those very talented individuals like the representatives of Life of the Land who take their own cases pro bono. Their loss in this is the gain for those other environmental groups who do use expensive attorneys or very good attorneys, but they still have to use a lot of time.

"So please Members, this is not something that we should fear. This is alternative dispute resolution. This is something that is taught now in every law school, that says, "Don't go to the courtroom. It is very expensive. Don't go to the contested hearing. Rather, go to mediation or arbitration." Thank you very much."

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

"Mr. Speaker, just register a with reservations for me, and another non-attorney that is a little befuddled. Thank you.

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

"Thank you, Mr. Speaker first of all I have to disclose that I am a mediator with the Mediation Center of the Pacific and also with the Honolulu Board of Realtors, and I stand in

opposition to this bill. I would like the words of the Kailua Representative listed as my own. Thank you, Mr. Speaker," and the Chair "so ordered." (By reference only.)

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

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

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

"Thank you, Mr. Speaker. I rise with some reservations. I think the 'devil is in the details' in the rule-making process. I don't believe that mediation can be used in every instance and I think one of the most difficult areas to use this process would be in discretionary permits. But clearly when you have an aggrieved party, for example in the Civil Rights Commission type of situation, mediation may be one of the better ways in resolving an issue. But when it comes to the issuance of discretionary kinds of permits, where I see the benefit of mediation is when you are trying to come to some kind of agreement on conditions to a permit. So I can see where it would be helpful in that area. But again discretionary permits are probably the most difficult areas to decide whether this is the right tool to apply. And again, some of the discussion about the cost issue concern me. So for those reasons, I have some reservations. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1075, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTESTED CASES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Ching, Finnegan, Leong and Thielen, voting no, and with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1416) recommending that S.B. No. 1496, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1496, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker I just wanted to rise in strong support of both of these Standing Committee Report Nos. 1416 and 1417."

"In strong support. I will try to brief. But my feeling is that this is a billion dollar industry, the cacao industry. It is one of the greatest opportunities our State has in the agricultural industry. I believe it means more jobs, more tax revenue, and another worldwide brand for our exotic State to be identified with."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1496, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading, and was placed on

the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1417) recommending that S.B. No. 1326, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1326, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I stand in strong support of Standing Committee Report No. 1417, S.B. 1326, SD 1, HD 1. I think it is very, very important that we wake up and realize that if we really are going to be players in the global economy, we've got to be able to speak more than our native language. In fact, I would like to see this whole concept of teaching languages, that we teach two basic languages, English and Hawaiian, because they are the official languages of our State. Plus, a foreign language which would enable people to participate in the global economy more effectively. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1326, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1418) recommending that S.B. No. 254, SD 2, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 254, SD 2, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"I am rising in support with kind of some strong reservations on Standing Committee Report No. 1418. The bill calls for demolishing and rebuilding a bridge in Puukapu, South Kohala. This bridge is on a private street, on private property. It was built many years ago without proper permits. It was built to get over the Kohala Ditch. There are 14 two-acre lots in a small subdivision. I am not sure if that it is appropriate for us to use State funds to rebuild this bridge. There are seven owners there. The amount of money they're asking for is \$2,000. I don't know how \$2,000 would do the job. But we would be open for liability if the State takes this on and the whole thing is a little bit questionable because of the fact that its on private property. Thank you."

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

"Mr. Speaker, I rise in support of the measure."

Speaker Say: "Representative Takamine, could you use Vice Chair Kawakami's mic?"

Representative Takamine: "Thank you, Mr. Speaker. Very briefly, the Finance Committee and the Chair of your Finance Committee actually shared the same concerns of liability and

opening up potential liability for the State by taking this somewhat extraordinary step. However at the public hearing there were two things. First is that this measure was strongly supported by the Governor because it was through an emergency request by the Governor's office that the measure did come to us in its form.

"And secondly, when we questioned, fairly extensively, the Attorney General, he indicated that yes, there are well, there maybe liability concerns. But nevertheless in light of this being the sole access for the people who are living in South Kohala, and given the options, in his opinion, his professional opinion, this was almost the only option. In light of that, we are moving the measure forward for further consideration. But there is a defective date."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 254, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1419) recommending that S.B. No. 457, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 457, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am rising in opposition to this measure. While the intent is a worthy thing, to build a Waipahu Community Adult Health Center and Youth Day Care Center Pilot Project. Some of the figures, there is no detail as to how they came up with them. They talk about a figure of \$1,600 a day for people there, and they identify 60 people that would use it. There is no description of how they came up with those people. They talk about just the poorest of the poor, taking care of them. No real description of how they arrived, who the people are that this pilot program would take care of. Considering the finances that we are looking at, trying to find adequate financing to keep the programs that are in existence now going, I don't think this is the proper time to come up with a new pilot program. Thank you."

Representative Stonebraker rose in opposition to the measure and asked that the remarks of Representative Meyer be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"Thank you Mr. Speaker I am just rising with reservations I'd like the words of the former speaker also as my own," and the Chair "so ordered" (By reference only.)

Representative Moses continued, stating:

"Maybe somebody could provide some of the information on this facility, and where they came up with the list, and the 60 people, and how they got on the list, and the \$1,600. We are just questioning where this list came from and is the money sufficient or not? I know it is going to come up very soon, but maybe somebody can give us some information. Thank you."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 457, SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE WAIPAHU COMMUNITY ADULT DAY HEALTH CENTER AND YOUTH DAY CARE CENTER PILOT PROJECT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Meyer and Stonebraker voting no, and with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1420) recommending that S.B. No. 1621, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1621, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"In support with reservations. This is a good bill. The idea of changing the standard deduction and moving it upward is a very good idea. It aims directly at the people that have the most difficult time coping with income taxes and has the benefit of taking a number of, thousands of, people off the income tax roles to their benefit, to the benefit of the people that work on income tax problems. Unfortunately this bill has a 'poison pill' in it. It doesn't go in to effect unless we manage to grow this economy at 7½% over 2 years, which I would think to be a little bit unlikely under the current circumstances. So I wish to have that 'poison pill' out. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1621, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARD DEDUCTION AMOUNT," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1421) recommending that S.B. No. 1400, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1400, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1422) recommending that S.B. No. 1311, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee

was adopted and S.B. No. 1311, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FUNDS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1423) recommending that S.B. No. 420, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 420, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1424) recommending that S.B. No. 1305, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1305, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. With reservations on Standing Committee Report No. 1424. This has been changed and it doesn't say what is going to happen to the percentage of money or the percentage of the allocation that goes to the Department of Human Services. And the Department of Human Services uses that for the CHIP program, as well as some other preventive health measures. Sitting on the Health and Human Services Committee, I just want to make sure that we get a better idea and grip on how that effects those programs. Thank you."

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

"Thank you, Mr. Speaker. I rise with reservations. Actually this bill was 'gutted' in Finance and it no longer takes money out of various special funds, but it changes the percentages that are taken out of the Tobacco Settlement monies. It will take some money and put it directly into the general fund. By reducing what is presently in the law that goes into the 'Rainy Day Fund' and also reducing what goes into, I believe, education to stop people from smoking.

"I don't think it is appropriate to take the money from this source and put it into the general fund, and it is not a good thing to bring the balance down in our 'Rainy Day Fund' by reducing the percentage of the tobacco funds that go in there. So those are my reservations. Thank you."

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

"The words of the previous speaker please, and I am rising with reservations, Mr. Speaker," and the Chair "so ordered." (By reference only.)

Representative Moses continued, stating:

"As was mentioned, it started off very good. It was taking money out of certain special funds or eliminating those funds

and this was based on the Auditor's report so it wasn't just out of the thin air. Now, it does affect the tobacco monies and also lowers the amount of the 'Rainy Day Fund' and I am getting very worried about what we are going to do when there is no more 'Rainy Day Fund' and that leaves very little for us to provide for the bond raters. Thank you."

Representative Jernigan rose and stated:

"In opposition, with reservations. I'd like the words of the previous speakers inserted into the Journal as my own."

The Chair addressed Representative Jernigan, stating:

"Could you restate your position? In opposition with reservations?"

Representative Jernigan: "I am sorry. With reservations. I don't think it is the proper use of the tobacco settlement money. Thank you."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1305, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Second Reading, and was placed on the calendar for Third Reading with Representatives Blundell, Mindo, Pendleton and Takumi being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1425) recommending that S.B. No. 1407, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1407, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," passed Third Reading by a vote of 46 ayes, with Representatives Blundell, Caldwell, Mindo, Pendleton and Takumi being excused.

The Chair directed the Clerk to note that S.B. No. 1407, passed Third Reading at 6:43 p.m. o'clock.

### THIRD READING

#### **S.B. No. 933, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 933, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STALKING," passed Third Reading by a vote of 47 ayes, with Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

#### **S.B. No. 1107, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1107, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 711, HAWAII REVISED STATUTES," passed Third Reading by a vote of 47 ayes, with Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

#### **S.B. No. 1201, SD 2, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1201, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR

VEHICLE FRANCHISES," passed Third Reading by a vote of 47 ayes, with Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

**S.B. No. 1438, HD 1;**  
**S.B. No. 1439, HD 1;**  
**S.B. No. 1440, HD 1;**  
**S.B. No. 1441, HD 1;**  
**S.B. No. 1442, HD 1;**  
**S.B. No. 1443, HD 1; and**  
**S.B. No. 1444, HD 1:**

Representative Saiki moved that S.B. Nos. 1438, HD 1; 1439, HD 1; 1440, HD 1; 1441, HD 1; 1442, HD 1; 1443, HD 1; and 1444, HD 1; pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am going to speak against these."

The Chair then stated:

"Why don't we compile all of them? So from S.B. 1438 to S.B. 1444, up to page 15."

Representative Stonebraker continued, stating:

"Even after two years, going through this process, it is still a learning aspect. I am wondering if the appropriations that we are making here, these essentially, as far as I understand it, will be for pay increases for our various unions. And I just don't understand. If I do understand that part correctly, are we therefore saying this House and the people of Hawaii are giving pay increases or pay raises to all of the State workers across-the-board? In this economic time? And if that is the case, if we didn't pass these, hypothetically everybody would stay at the same pay until maybe another Session. Do I understand that correctly?"

The Chair responded, stating:

"May I respond? Representative Stonebraker, we are keeping these measures alive in case the Governor and the Administration settles with some of these bargaining units in the open session."

Representative Stonebraker: "If they don't settle though the pay stays the same?"

Speaker Say: "Yes, and it is kept alive and carried over until next Session."

Representative Stonebraker: "Well, I am going to vote no on these because I think the people of Hawaii feel that the State workers at this time, probably are going to have to 'bite the bullet', I guess, as much as everybody else. Now we did pass an increase for Legislators, but that will go in effect a few years from now. I am going to be voting no on these and I urge my colleagues to take a bold stand and do the same."

The motion was put to vote by the Chair and carried and S.B. No. 1438, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Jernigan, Leong and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused;

S.B. No. 1439, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR SALARY INCREASES

FOR PUBLIC EMPLOYEES," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused;

S.B. No. 1440, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused;

S.B. No. 1441, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused;

S.B. No. 1442, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused;

S.B. No. 1443, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused; and

S.B. No. 1444, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Jernigan and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

**S.B. No. 1445, HD 1:**

On motion by Representative Saiki, seconded by Lee, and carried, S.B. No. 1445, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," passed Third Reading by a vote of 46 ayes to 1 no, with Representative Stonebraker voting no, and Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

**S.B. No. 1135, SD 1, HD 1:**

Representative Saiki moved that S.B. No. 1135, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am sorry on S.B. 1135. I am in opposition, but I could be re-educated. I am hearing that there are various vehicles moving to try to take care of this system and I am quite confused about that. I don't think we should be ... In any case, I will be opposing this bill because I don't think we should jack up the fees to pay for the system."

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

"Thank you, Mr. Speaker. I am in opposition also and not only because I don't believe we have the money right now, but

we heard testimony that this judicial computer system, I guess they're thinking maybe \$5 million. But we heard testimony that in some states, they are \$20 million and still growing. They still don't have it working right. But also it is creating another special fund. It takes the money out of the general fund, so for those reasons, I am opposed."

The motion was put to vote by the Chair and carried and S.B. No. 1135, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT FEES," passed Third Reading by a vote of 42 ayes to 5 noes, with Representatives Fox, Jernigan, Meyer, Moses and Stonebraker voting no, and with Representatives Blundell, Mindo, Nakasone and Pendleton being excused.

The Chair directed the Clerk to note that S.B. Nos. 933, SD 1, HD 1; 1107, SD 1, HD 1; 1201, SD 2, HD 1; 1438, HD 1; 1439, HD 1; 1440, HD 1; 1441, HD 1; 1442, HD 1; 1443, HD 1; 1444, HD 1; 1445, HD 1; and 1135, SD 1, HD 1; passed Third Reading at 6:50 p.m. o'clock.

At 6:50 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 7:10 o'clock p.m.

**END OF CALENDAR**

At this time, the Chair announced:

"Members, at this time, we had a measure at the end of the calendar and this particular measure now, we are on page 9 for all of you. So if you could go back to page 9."

Representative Takamine for the Committee on Finance submitted a report (Stand. Com. Rep. No. 1412) recommending that S.B. No. 459, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted and S.B. No. 459, SD 1, HD 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Lee.

At this time, Representative Fox offered Floor Amendment No. 9, amending S.B. No. 459, SD 1, HD 1, as follows:

SECTION 1. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 1 to read as follows:

"SECTION 1. The legislature finds that reforms are needed to restore the public's confidence in the integrity of the election process by reducing the influence of reliance on campaign contributions.

Accordingly, this Act amends Hawaii's campaign spending laws to:

- (1) Prohibit fundraising in buildings being used for state or county purposes;
- (2) Prohibit contributions by government contractors with contracts over \$25,000;
- (3) Prohibit use of campaign contributions for personal expenditures;
- (4) Amend the registration requirements for candidates seeking reelection;



- (5) Conform to a court's decision invalidating the Campaign Spending Commission's code of fair campaign practices and ability to censure candidates who fail to comply with the code;
- (6) Amend the campaign contributions limits to \$4,000 for candidates seeking offices of four-year terms, \$2,000 for candidates seeking offices of two-year terms, \$2,000 for noncandidate committees in a two-year election period, \$5,000 per year for a party, and a maximum limit of \$25,000 in the aggregate for all contributions from an individual in a two-year election period;
- (7) Prohibit campaign contributions, in excess of \$6,000 in the aggregate, from corporations, labor organizations, member organizations, cooperatives or corporations without capital stock, except through separate segregated funds;
- (8) Clarify that excess contributions must be returned within thirty days or they will escheat to the Hawaii election campaign fund;
- (9) Make falsifying reports with intent to circumvent the law or deceive the commission a class C felony;
- (10) Clarify that a person who is prosecuted and convicted of campaign violations is not subject to administrative enforcement;
- (11) Amend the public funding provisions to require qualifying contributions from residents of Hawaii only and to eliminate the ability of candidates to obtain public funding for special elections;
- (12) Repeal section on limitations on fundraising activities;
- (13) Require the commission on campaign spending to adopt a schedule of administrative fines for categories of violations; and
- (14) Add definitions and clarify other terms for consistency of application."

SECTION 2. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 3 to read as follows:

"SECTION 3. Section 11-191, Hawaii Revised Statutes, is amended as follows:

1. By adding four new definitions to be appropriately inserted and to read:

"Corporation" means any corporation for profit, including professional corporation and limited liability partnership or company.

"Independent expenditure" means a cost incurred by a person or noncandidate committee other than a candidate or candidate's committee for a communication that is disseminated during thirty calendar days before a primary election or sixty days before a general election that expressly advocates for the election or defeat of a candidate and is made without the participation, cooperation, or coordination of a candidate or candidate's committee, or their authorized agents.

"Labor organization" means any organization or employee representation committee, in which employees participate and which exists for the purpose, in whole or in part, of collective bargaining or dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"Separate segregated fund" means an entity set up by any corporation, labor organization, membership organization, cooperative, or corporation without capital stock for the purpose of establishing a fund from which contributions or expenditures are made to influence the nomination for election, or election of any candidate."

2. By amending the definitions of "candidate's committee", "committee", "contribution", "election period", "expenditure", and "noncandidate committee" to read:

"Candidate's committee" means a committee as defined in this section which makes an expenditure or accepts a contribution in behalf of a candidate with the candidate's authorization. A candidate shall have only one authorized candidate's committee.

"Committee" means:

(1) Any individual, organization, corporation, association, or [~~individual~~] separate segregated fund that accepts or makes a contribution or makes an expenditure for or against any:

(A) Candidate;

(B) Individual who files for nomination at a later date and becomes a candidate; or

(C) Party;

with or without the authorization of the candidate, individual, or party. In addition, the term "committee" means any organization, corporation, association, or individual who accepts or makes a contribution or makes an expenditure for or against any question or issue appearing on the ballot at the next applicable election; or

(2) Any organization, corporation, association, or individual that raises or holds money or anything of value for a political purpose, with or without the consent or knowledge of any:

(A) Candidate;

(B) Individual who files for nomination at a later date and becomes a candidate; or

(C) Party; and

subsequently contributes money or anything of value to, or makes expenditures on behalf of, the candidate, individual, or party.

Notwithstanding any of the foregoing, the term "committee" shall not include any individual making a contribution or expenditure of the individual's own funds or anything of value that the individual originally acquired for the individual's own use and not for the purpose of evading any provision of this subpart, or any organization, which raises or expends funds for the sole purpose of the production and dissemination of informational or educational advertising.

"Contribution" [~~means:~~] includes:

(1) A gift, subscription, deposits of money or anything of value, or cancellation of a debt or legal obligation and includes the purchase of tickets to fundraisers for the purpose of:

- (A) Influencing the nomination for election, or election, of any person to office;
- (B) Influencing the outcome of any question or issue that appears or is reasonably certain to appear on the ballot at the next applicable election described in subparagraph (A); or
- (C) Use by any party or committee for the purposes set out in subparagraph (A) or (B);
- (2) The payment, by any person, political party, or any other entity other than a candidate or committee, of compensation for the personal services or services of another person that are rendered to the candidate or committee without charge or at an unreasonably low charge for the purposes set out in paragraph (1)(A), (1)(B), or (1)(C); or
- (3) A contract, promise, or agreement to make a contribution; ~~[provided that notwithstanding this paragraph and paragraphs (1) and (2), the term "contributions" shall not include services or portions thereof voluntarily provided without reasonable compensation by individuals to or in behalf of a candidate or committee; or].~~

[4] Notwithstanding paragraphs (1), (2), and (3), a candidate's expenditure of the candidate's own funds or the making of a loan or advance in the pursuit of the candidate's campaign shall not be a contribution for the purpose of this subpart but shall nevertheless be reportable as a campaign receipt.

"Election period" means the two-year period between general election days ~~[if a candidate is seeking nomination or election to a two-year office and the four-year time period between general election days if a candidate is seeking nomination or election to a four-year office].~~

"Expenditure" ~~[means:]~~ includes:

- (1) Any purchase or transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of value, or payment incurred or made, or the use or consumption of a nonmonetary contribution for the purpose of:
- (A) Influencing the nomination for election, or election, of any person seeking nomination for election, or election, to office whether or not the person has filed the person's nomination paper;
- (B) Influencing the outcome of any question or issue that has been certified to appear on the ballot at the next applicable election; or
- (C) Use by any party or committee for the purposes set out in subparagraph (A) or (B);
- (2) The payment, by any person other than a candidate or committee, of compensation for the personal services of another person that are rendered to the candidate or committee for any of the purposes mentioned in paragraph (1); ~~[or]~~
- (3) The expenditure by a candidate of the candidate's own funds for the purposes set out in paragraph (1) ~~[;]~~ and
- (4) Any payment made from a candidate or a candidate's committee to any community service, educational,

youth, recreational, charitable, scientific, or literary organization.

[4] The term does not include volunteer personal services and voter registration efforts that are not partisan.

"Noncandidate committee" means a committee as defined in this section and includes any separate segregated fund but does not include a candidate's committee."

SECTION 3. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 7 to read as follows:

"SECTION 7. Section 11-204, Hawaii Revised Statutes, is amended to read as follows:

**"§11-204 Campaign contributions; limits as to persons.**

(a) (1) No person ~~[or any other entity]~~ shall make contributions to:

~~(A) A candidate seeking nomination or election to a two-year office or to the candidate's committee in an aggregate amount greater than \$2,000 during an election period;~~

~~(B) A candidate seeking nomination or election to a four-year statewide office or to the candidate's committee in an aggregate amount greater than \$6,000 during an election period; and~~

~~(C) A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.]~~

(A) A candidate seeking nomination or election to a four-year term of office, or the candidate's committee, of an amount greater than \$4000 in the aggregate, for that election in which the candidate seeks office; or

(B) A candidate seeking nomination or election to a two-year term of office, or the candidate's committee, of an amount greater than \$2000 in the aggregate, for that election in which the candidate seeks office.

These limits shall not apply to a loan made to a candidate by a financial institution in the ordinary course of business.

(2) For purposes of this section, the length of term of an office shall be the usual length of term of the office as unaffected by reapportionment, a special election to fill a vacancy, or any other factor causing the term of the office the candidate is seeking to be less than the usual length of term of that office.

~~(b) No person [or any other entity] shall make contributions to a noncandidate committee, in an aggregate amount greater than \$1,000 in an election; except that in the case of a corporation or company using funds from its own treasury, there shall be no limit on contributions or expenditures to the corporation or company noncandidate committee.]~~ \$2,000 in any election period.

(c) No person shall make contributions to a party, which in the aggregate, exceed \$5,000 in any calendar year.

(d) Noncandidate committee contribution limits shall be the same as those for persons.

(e) No individual shall make contributions aggregating more than \$25,000 in any election period.

~~[(e)]~~ (f) A candidate's immediate family, in making contributions to the candidate's campaign, shall be exempt from the above limitation, but shall be limited in the aggregate to \$50,000 in ~~[any] an~~ election ~~[period]~~. The aggregate amount of \$50,000 shall include any loans made for campaign purposes to the candidate from the candidate's immediate family.

~~[(4)]~~ (g) A contribution by a dependent minor shall be reported in the name of the minor but shall be counted against the contribution of the minor's parent or guardian.

~~[(e)]~~(h) Any candidate, candidate's committee, or committee that receives in the aggregate more than the applicable limits set forth in this section ~~[in any primary, initial special, special, or general election from a person,]~~ shall be required to ~~[do one of the following:~~

- ~~(1) Regardless of whether the excess donation was inadvertently made, to transfer an amount equal to any excess over the limits established in this section to the Hawaii election campaign fund within thirty days of receipt of the contribution, and in any event, no later than thirty days upon the receipt by a candidate, candidate's committee, or committee, of notification from the commission; or~~
- ~~(2) If the excess donation was inadvertently made, to return to the donor any excess over the limits established in this section and to notify the commission within thirty days of receipt of the contribution.]~~

return any excess contribution to the original donor within thirty days from receipt of the excess contribution or submit the excess contribution to the Hawaii election campaign fund. After thirty days from receipt, all excess contributions not returned to original donors shall escheat to the Hawaii election campaign fund. A candidate, candidate's committee, or committee who complies with this subsection prior to the initiation of prosecution shall not be subject to any penalty under section 11-228.

~~[(4)]~~(i) All ~~[payments]~~ contributions made by a person or political party whose contributions or expenditure activity is financed, maintained, or controlled by any corporation, labor organization, association, political party, or any other person or committee, including any parent, subsidiary, branch, division, department, or local unit of the corporation, labor organization, association, political party, political committees established and maintained by a national political party, or any other person, or by any group of those persons shall be considered to be made by a single person or political party.

~~[(g)]~~ (j) A contribution made by two or more corporations shall be treated as one person when such corporations:

- (1) Share the majority of members of their boards of directors;
- (2) Share two or more corporate officers;
- (3) Are owned or controlled by the same majority shareholder or shareholders; or
- (4) Are in a parent-subsidiary relationship.

~~[(4)]~~ (k) An individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.

~~[(4)]~~ (l) No committee ~~[which] that~~ supports or opposes a candidate for public office shall have as officers individuals who serve as officers on any other committee which supports or opposes the same candidate. No such committee shall act in concert with, or solicit or make contributions on behalf of, any other committee.

~~[(4)]~~ (m) No contributions or expenditures shall be made to or on behalf of a candidate or committee by a foreign national ~~[or foreign corporation, including a domestic subsidiary of a foreign corporation, a domestic corporation that is owned by a foreign national, or a local subsidiary where administrative control is retained by the foreign corporation, and]~~ in the same manner prohibited under 2 United States Code section 441e and 11 Code of Federal Regulations 110.4(a) and 110.9(a), as amended. ~~[No foreign-owned domestic corporation shall make contributions where:~~

- ~~(1) Foreign national individuals participate in election-related activities such as decisions concerning the making of contributions or the administration of a political committee; or~~
- ~~(2) The contribution funds are not domestically derived.]~~

~~[(4)]~~(n) No person or any other entity other than political committees established and maintained by a national political party shall make contributions to a political party in an aggregate amount greater than \$25,000 in any two-year election period. No political committee established and maintained by a national political party, shall make contributions to a political party in an aggregate amount greater than \$50,000 in any two-year election period.

~~(o) For purposes of this section:~~

- ~~(1) A candidate and the candidate's committee shall be considered a single entity for purposes of campaign contribution limits;~~
- ~~(2) Expenditures made by any person in cooperation, consultation, or concert with, or at the suggestion of, a candidate or the candidate's committee, or their authorized agents, shall be a contribution to the candidate;~~
- ~~(3) Contributions by a person to a noncandidate committee or party that are earmarked for a specific candidate shall be treated as contributions from the person to the candidate; and~~

~~[(4)]~~(m) ~~[Except for subsection (j), this]~~ This section shall not apply to ballot issue committees."

SECTION 4. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 8 to read as follows:

SECTION 8. Section 11-205.5, Hawaii Revised Statutes, is amended to read as follows:

**"§11-205.5 Campaign contributions by [state] government contractors.** [(a) — Any person making a contribution to any candidate, committee, or political party, and who has received, in any calendar year, \$50,000 or more through contracts from the State, or county shall register and report that fact to the commission within thirty days of the date of the contribution or within thirty days of the date of the contract, whichever occurs later; provided that this section shall not apply to a person who has received \$50,000 or more through a grant, subsidy, or purchase of service agreement under chapter 42F or 103F.

(b) ~~The commission shall prescribe forms and procedures for the reporting required in subsection (a), which, at a minimum, shall require the following information:~~

- ~~(1) The name and address of the person making the contribution;~~
- ~~(2) The name of the candidate, committee, or political party receiving the contribution;~~
- ~~(3) The amount of money received from the State or county, the dates, and information identifying each contract and describing the service performed or goods provided; and~~
- ~~(4) If an entity is making the contribution, the names and business addresses of the principals, including officers and directors.~~

~~(e) The commission shall maintain a list of such reports for public inspection both at the commission's office and through the state FYI electronic bulletin board.]~~

~~(a) It shall be unlawful for any government contractor to make a contribution to any candidate or candidate's committee for a period of time, commencing with any procurement activity conducted by a purchasing agency or notice of appropriation and ending with twenty-four months after the termination of procurement activity or completion of any government contract.~~

~~(b) It shall be unlawful for any business against which debarment or suspension proceedings are commenced pursuant to section 103D-702 to make a contribution to any candidate or candidate's committee at any time during the course of the proceedings, an administrative or judicial action brought under sections 103D-709 and 103D-710, and the period of debarment or suspension.~~

~~(c) It shall be unlawful for any person to knowingly solicit any contribution from any government contractor or business prohibited from making contributions under this section.~~

~~(d) This section does not prohibit the establishment or administration of, or the solicitation of contributions to any separate segregated fund pursuant to section 11-B.~~

~~(e) As used in this section, the following definitions apply unless the context clearly requires otherwise:~~

~~"Appropriation" means any act by a legislative body of the state or counties to authorize the expenditure of funds for capital improvement projects, public works projects, or any specific project for which government contracts are awarded.~~

~~"Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.~~

~~"Completion of the contract" means that the parties to the government contract have either terminated the contract prior to completion of performance or fully performed the duties and obligations under the contract and no disputes relating to performance and payment remain under the contract. This term also means that all disputed claims have been adjudicated and are final.~~

~~"Construction" shall be as defined in section 103D-104.~~

~~"Contract" means all types of agreements, regardless of what they may be called, for the procurement or disposal of goods or services, for construction, or for the purchase or sale of real property.~~

"Goods" shall be as defined in section 103D-104.

"Government contract" means any procurement contract for goods, services or construction covered by the Hawaii public procurement code, chapter 103D, and a contract for the purchase or sale of real property.

"Government contractor" means any business that is seeking one or more government contracts or has one or more government contracts with a governmental body that exceed \$25,000 in the aggregate.

"Governmental body" means any department, commission, council, board, bureau, authority, committee, institution, legislative body, agency, government corporation, or other establishment or office of the executive, legislative, or judicial branch of the State, including the office of Hawaiian affairs, and the several counties of the State.

"Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring any goods, service, construction or real property. The term also includes all functions that pertain to the obtaining of any goods, service, or construction including description of requirements, selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration.

"Purchasing agency" means any governmental body, which is authorized by chapter 103D or by way of delegation, to enter into contracts for the procurement of goods, services, construction, or real property.

"Services" includes "professional services" and both terms shall be as defined in section 103D-104.

"Termination of procurement activity" means the cessation of any discussion or negotiations relating to a selection for any government contract in which the business is not selected for the contract, and no dispute remains on the selection of the government contractor."

SECTION 5. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by deleting Section 19 of the bill, and renumbering the sections accordingly.

Representative Fox moved that Floor Amendment No. 9 be adopted, seconded by Representative Halford.

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

"Thank you, Mr. Speaker. Campaign finance spending is a difficult process. We all want campaign finance reform. At the same time we are very much a part of the political process and it is difficult sometimes to just bring ourselves to really go the whole way toward reform. Such is the case with this current bill.

"The amendment we offer is designed to fix four problems with the bill that is before us. First, we do not like the provision in the bill that attempts to define some contributions as not being contributions, by changing the meaning of the word 'contribution', and particularly you know, the provision of services that are provided without compensation, the use of real or personal property, the cost of invitations, food or beverages, the use of independent expenditures, and electioneering communications, defined as not being under the meaning of the word 'contribution'. This does some violence to the English language. I realize that lawyers are able to do these things with bills, but a contribution is a contribution, and the things this bill

is trying to define out of the definition of contribution, are in fact contributions.

"Second, in a bill that is a reform bill, it is surprising to have a section removed from the current law that limits the number of fundraisers a candidate can hold. Reform means limitation on fundraisers. Anti-reform means removing the limitation on the number of fundraisers.

At this time, the Chair addressed Representative Fox, stating:

"What page are you on, for the Members, on the proposed floor amendment? Just to make reference to the pages for the Members of the House."

Representative Fox responded, stating:

"I am sorry but I am not referring these changes by page number. I will finish my speech and if you like to have the page numbers we can go back to them.

"The third provision that is in the current bill that the amendment is designed to deal with, is where the bill attempts to repeal the subsection in current law mandating the treatment of two corporations as one person, or both corporations share a majority of members on their board, share two or more corporate officers, are owned and controlled by the same majority share holder or share holders or in a parent-subsidiary relationship. The current law correctly says that in all those cases, you are dealing with one corporation. Not a multiple of corporations or individuals. Why will this so-called reform bill repeal that section of the law? It seems contrary to what one would see in a reform measure.

"And then finally Mr. Speaker, we deal with a matter that gotten some real discussion and that is the provision that limits the effect of the most crucial part of this measure, which is that persons giving money to corporations, giving money to individuals who have a role to play in the awarding of contracts, cannot do so if they hope to get the business from the government. Unlike the federal law, this bill has a 25% threshold. And if you are below the 25% threshold, you are free to make contributions. And in that connection, I just want to call your attention to the testimony of the Chair of the Campaign Spending Commission before the Judiciary Committee in which he made a recommendation that we follow the federal rules on restricting those who can give from corporations to the campaigns of those are involved in the awarding of contracts. And he said that the federal rules apply the prohibition to owners, officers, directors, and all salaried employees. Our amendment follows the recommendation of Mr. Watada by adopting the federal wording. So those are the four main provisions in this amendment. Thank you, Mr. Speaker."

Representative Halford rose in support of the proposed amendment, stating:

"Thank you, Mr. Speaker. In favor. I would like to incorporate the words of the previous speaker as my own in the Journal. Additionally, comment that this amendment really addresses reform that was expressed very well by the previous speaker. This is an opportunity for us to give Hawaii true campaign reform. Thank you."

Representative Hamakawa rose to speak in opposition to the proposed amendment, stating:

"Thank you, Mr. Speaker I rise in opposition to this amendment. Thank you, Mr. Speaker. First of all, with regard to the definition of what a contribution does not include, I am glad the previous speaker spoke up and mentioned the federal

rules, because these definitions are lifted directly out of the federal law that passed last year. So we are just mirroring what is already in federal law.

The Chair addressed Representative Hamakawa, stating:

"Representative Hamakawa, for the education of all of us, maybe you could make reference to the pages for us so that there is a better comparison. Would that be easier for you?"

Representative Hamakawa responded, stating:

"Mr. Speaker, I don't have it marked. On the bill that we sent down, the House Draft 1 bill, on page 13, starting from line 7. That is not in the amended bill, but the bill we sent down. The definitions are included there.

"Mr. Speaker, you know this amendment is a disingenuous attempt to couch reasonable sounding restrictions on campaign contributions by corporations or business entities. At first glance, the amendment to count two corporations as a single person for contribution limits sounds like a good idea, until you look at the facts of how this would work. This proposal would treat as a single person, two corporations if they share a majority of the members of the board of directors, corporate officers, and the same majority shareholders. This means that only in the rarest of circumstance will two corporations ever be considered as single person. This proposal is meaningless. It does nothing to limit campaign contributions by corporations.

"But there is a greater danger posed by this Amendment. This amendment is a smoke screen to cloud the real danger of this floor amendment, the deletion of the 25% ownership rule proposed in this bill.

"Our bill counts an individual who owns more than 25% of a corporation or partnership to be counted as a single person with the corporation or partnership and bound by the limits of the corporation. Let's look at an example of how this bill works, in comparison with the proposal made by the Minority Leader.

"For example an architect who owns 26% in each of three companies. In our version of the bill Mr. Speaker, theoretically, the architect can contribute as an individual up to \$25,000. But, since our version counts the architect as one with the corporation, the architect and each of the corporations in which he/she owns shares is limited to \$6,000 in the aggregate. Total contribution for this one architect, \$18,000 by the corporation and architect for all three corporations.

"In this amendment Mr. Speaker, that same architect can contribute as an individual up to the maximum of \$25,000. Each of the three corporations in which the architect owns 25% or more would be able to contribute the maximum of \$6,000 each. Total contribution of the same person: \$43,000.

"If there is an attempt to limit the contributions of corporations or people who try to influence government, I think this bill does not do that.

"In conclusion, Mr. Speaker, nothing in this amendment puts any meaningful limitation on campaign contributions. Nothing in this amendment attempts to curb influence peddling by corporations and businesses. Nothing in this amendment attempts to limit the influence of contractors on politics in Hawaii. Nothing in this amendment restores the public's faith in political campaigns and elected officials.

"Everything in this amendment proves that the sponsors of the amendment have no commitment to bringing campaign spending reform to our political process. I urge you to vote no on this measure."

Representative B. Oshiro rose to speak in opposition to the proposed amendment, stating:

"Mr. Speaker, I stand against this amendment. I just wanted to clarify some of the things said previously by the proponents. Somebody had said that lawyers can do violence to the English language. I really find that kind of a curious comment because when you really take a look at this bill, there is a big, big difference between what people are saying and what it does. People can criticize lawyers all they want, but if you don't know how this bill works, then you really better retract what you say, because you really need to study the bill.

"Specifically on page 32, lines 16 to 21, and page 35, lines 10 to 14 of the original bill. What they did was they deleted the 25% threshold. So when we are going to consider an individual to be in the same shoes as a corporation, because what they are saying is we need to just delete this huge loophole. But what they did was they left in, on page 30, lines 13 to 16 of our bill that we deleted, or on page 30, lines 9 to 12 of the amended version. They left in this provision that said, "An individual and any incorporation which the individual owns a controlling interest, shall be treated as one person."

"Now controlling interest means 51%. So they are criticizing our 25%. But hey, you know what? It is going up to more than double that. It is going up to 51%. So really the big question is they are saying 'loophole', but I see this as a huge 'black hole'. Because who are you really getting? You are getting one person. In a corporation, only one person can have controlling interest. Only one person can have more shares than everybody else. Because if not, they all equal. So I just want to make sure that everybody understands that. This is what the bill is doing. No matter what people say, this is what it actually does.

"And I really find this curious because when you really look at it, this 25% threshold came about in our S.B. 2431 last Session, which got vetoed. It also came up again, this time in our House bill, and it also came up again in this Senate bill. You know where else it came up? In the Governor's H.B. 1095. She uses the same 25% threshold.

"So the question that I have to ask is, you can say what you want but really what is the effect? Now that we have a new Republican Governor, are we trying to actually increase any kind of reform that we are trying to do? Because that is what it really is, in reality we are doing. You can say that you are trying to get rid of our 'sham of a reform'. But now that we have a new Governor, are we just trying to change the tide? And really increase things when we are saying something that is not true.

"As for the other provisions the contributions as the Chair from Judiciary said. That definition came straight from the federal law. And again, when Mr. Watada had said that what he does is use the definition under the federal law. You know what? When we asked Mr. Watada, he couldn't cite us to any specific reference. So you know what I did? I went and looked. Under Title II, Chapter 14, Section 441C, we don't have any 25% threshold. We don't have a 50% threshold. All it says is that, 'the contractor'. So there is no definition of who the contractor is.

"So what you have to then do is look at the federal rule, and that is found in Title XI, part 115. There they have a lot of different definitions for corporations, partnerships, individuals, sole proprietors, but you know what? Even there, it doesn't even cover when we are talking about individuals that are in these same shoes as a corporation. None of those rules go as far as our bill does. The federal law does not, does not cover when we are talking about individuals standing in the shoes of

a corporation. People have to remember, corporations have the same First Amendment rights as anybody else. That is what was stated by the United States Supreme Court. So when we try to limit free speech, when we try to limit individuals and say individuals and corporations, you two are tied together. You two cannot contribute, we need to be very careful. And that is why we came up with the 25%, because federal law doesn't even go that far. And we better be careful if we are going and churning on the grounds of the First Amendment.

"As to the fundraiser amendment that was talked about, we deleted that because Mr. Watada said it was unenforceable. So we took his suggestion, and said we don't need it then."

Representative Lee rose to yield her time, and the Chair "so ordered."

Representative B. Oshiro continued, stating:

"Thank you very much. I just have one more point. As to the thing about the two corporations being one person, and how we deleted that. The reason why we deleted that is now it doesn't matter because the bill says no corporation can donate unless they go through a Political Action Committee. So you already have this tracking mechanism, so it doesn't matter whether they have 5 different corporations, 10 different corporations. Their names are going to have to be listed if it is an individual donation. So it doesn't matter how much controlling interest they have because that money cannot come to the treasury. It only can come from voluntary contributions offered by the employees of the corporation. So it makes very, very clear to me, that we don't need that provision that was talked about as some two corporations being one person, because we already addressed that by saying no corporation can donate unless they go through a Political Action Committee. So for those reasons, I stand in strong opposition."

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

"In support. The previous speaker talked a corporation owner having 51% to be controlling that corporation. That is false, Mr. Speaker. That is only if the corporation has two stockholders. I think for most small corporations, that might be true. 'Mom and Pop' corporations. The large corporations have many, many stockholders. So what that 25% limit will do, it would allow large corporations to donate and it excludes small 'mom and pop' corporations. Thank you."

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

"Thank you, Mr. Speaker. I am rising in support of the amendment and I would like if the words of the Minority Leader could be inserted as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Moses continued, stating:

"I know it is getting late, so I am going to ask for a roll call vote at the appropriate time."

Representative Caldwell rose to speak in opposition to the proposed amendment, stating:

"Mr. Speaker, I rise in opposition to the amendment. Mr. Speaker, as our Governor has stated repeatedly in supporting political reform during this Legislative Session, perception is as important as reality. I agree that perception is extremely important, but even more important is reality. The perception of reality here Mr. Speaker, both stink regarding this amendment. Maybe this is just a badly drafted amendment and

the intent isn't to weaken campaign reform. But this amendment does exactly this, Mr. Speaker.

"In one of the most glaring ways it does it, if you refer to page 30, lines 1 to 8, it says it allows more corporations to be considered as single persons, thereby allowing those corporations to contribute up to the max of a \$6,000 limit. Mr. Speaker, people in our State and across our country believe that our political system is awash with corporate money. If the Members of this Body want to continue not only this perception, but also the reality of our system being awash in corporate money, then they should vote for this amendment. I, Mr. Speaker, will be voting against this amendment."

At this time, Representative Saiki called for the previous question.

Representative Fox rose to respond, stating:

"If I could exercise my right to rebuttal. Thank you. The key point of this amendment is to deal with the objections that the Chair of the Campaign Commission drew to the use of the 25% rule, and the ability of people to give as individuals unless a change was made. The change that he referred to is taken from federal law, and it does define precisely who in the corporation gets counted as part of the inability to contribute as an individual to the campaigns of those who award contracts. And that is the main fix we want to make.

"At other stages where reference is made to how the federal law is weaker than the State law and therefore we should adopt the federal law, in that instance, we would prefer to stick with the State law. In other words, let's go for the most restrictive way of handling the measure. Let's not loosen up the definition of contribution. If we already have a workable definition of contribution, why turn to the federal government to loosen it up when we have the ability to stick with our State law?

"Similarly with the use of multiple corporations. Why not stick with State law? There are the key provisions. So we have an opportunity to use federal law to tighten up a bill that is before us, and we have the ability to stick with State law in other instances. So if we want a tighter more restrictive bill, we should be voting for the amendment. Thank you."

The request for a roll call vote was put to vote by the Chair and upon a show of hands, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 9, amending S.B. No. 459, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," be adopted, was put to vote by the Chair and failed to carry on the following show of Noes and Ayes:

Noes, 36: Representatives Abinsay, Arakaki, Caldwell, Chang, Evans, Hale, Hamakawa, Herkes, Hiraki, Ito, Kahikina, Kaho'ohalahala, Kanoho, Karamatsu, Kawakami, Lee, Luke, Magaoy, Mindo, Morita, Nakasone, Nishimoto, M. Oshiro, B. Oshiro, Saiki, Say, Schatz, Shimabukuro, Sonson, Souki, Takai, Takamine, Takumi, Tamayo, Wakai and Waters.

Ayes, 13: Representatives Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Stonebraker and Thielen.

Excused, 2: Representatives Blundell and Pendleton.

Main Motion

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

"I'd like to register a reservations on this bill at this time. Hopefully we can make some changes before the next floor vote."

Representative Halford rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"I think with the bill not fixed, the proper vote is with reservations."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

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

"Thank you, Mr. Speaker. With strong reservations. Especially with the new definition of the term of 'contribution'. I just think this is a way of getting around real material contributions that help every candidate, mostly favored the Majority Members who have strong union backing, and I don't think it makes a level playing field and I don't think it is truly any kind of reform. I think we are going backwards with this. Thank you."

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

"With reservations. I think we need reform we need to sit down and work on it together."

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

"Strong support."

Representative B. Oshiro rose to speak in support of the measure, stating:

"I stand in strong support and I just like to clarify again. We are going farther than the federal law. Again Title II, Part 115.6, Employee Contributions or Expenditures. "Nothing in this part shall prohibit the stockholders, officers, or employees of a corporation, the employees, officers, or member of an unincorporated association, cooperative membership, organization, labor organization", blah, blah, blah ... which is a federal contractor from making contributions or expenditures from their personal assets. That specifically says, nothing in this part limits those people officers, stockholders, or employees from contributing if they are a federal contractor. So I think that any reference by Mr. Watada, so far, is incorrect. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 459, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of

49 ayes, with Representatives Blundell and Pendleton being excused.

### ANNOUNCEMENTS

Representative Leong: "Yes, Mr. Speaker. Thank you for the time. The Women's Caucus has been working very hard and we want to thank you all very much for submitting all of your baskets for our great cause, the Institute of Human Services.

"Just some quick information. Tonight we have, with the help of the Sgt. at Arms who displayed some of the baskets here. He is storing many of them for us in his room. We have collected 148 baskets from 37 Representatives, the Clerk's Office, the LRB, and House Sgt. at Arms. And for your information: there were 46 baskets submitted by the LRB; 9 baskets from Representative Ching; 6 baskets from Representative Thielen; and 7 from our office.

"Thank you very much. You have the opportunity for one more week, a little more than a week, and then we will be submitting them. Thank you so much. Good night."

Speaker Say: "Representative Leong, the Chair would like to request that you mention the 14 that haven't contributed so far. I am only kidding."

Representative Leong: "Oh, that is what I thought. You were kidding. Speaker Say, you just tell me if next week you want this list ready. Other wise we will give you an opportunity to hear the rest. Thank you so much."

Speaker Say: "I just wanted the Members who are the fabulous 14 to please contribute by next week Friday so that their names will not be recorded as not contributing to your project."

Representative Marumoto: "The 442nd is meeting this week and many of them are honoring our senior Senator, Senator Daniel Inouye. He has had a very remarkable career and to a man, they have been outstanding Americans. And I think we should salute them as they meet this week. For many of them, it's their 'last hurrah' and we must commend them for their contribution. Thank you."

Speaker Say: "Thank you. You are absolutely correct."

Representative Arakaki: "Thank you, Mr. Speaker. I will keep my announcement to a bare minimum. The Keiki Caucus has been collecting stuffed animal bears, and I just want to thank all the Representatives and their staff, and the supporting office, LRB, HMSO, Sgt at Arms, for their contributions. Tomorrow, we will be delivering the bears to Ala Moana Center Stage between 10:00 and 11:00 a.m. And we'd like to invite our colleagues to join Child Abuse Hawaii who will be presented the bears. We've collected, I think close to 3,000 bears, so hopefully we will provide a bear for every case of child abuse reported in the State. We'd like to thank all the Members again. Thank you, Mr. Speaker."

Representative Lee moved to keep the Journal open until 12:00 o'clock midnight this legislative day for the purpose of receiving Standing Committee Reports and Senate Bills transmitted thereby, seconded by Representative Meyer, and carried. (Representatives Blundell and Pendleton were excused.)

On motion by Representative Lee, seconded by Representative Meyer and carried, the House of Representatives stood in recess until 9:00 a.m., Tuesday, April 8, 2003. (Representatives Blundell and Pendleton were excused.)

### STANDING COMMITTEE REPORTS

In accordance with the motion made, the following Standing Committee Reports (Stand. Com. Rep. Nos. 1426 through 1508) were received by the Clerk prior to 12:00 midnight this legislative day, and the following action taken:

Stand. Com. Rep. No. 1426 (JUD) and S.B. No. 552, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNERS' LIABILITY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1427 (JUD) and S.B. No. 1267, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1428 (CPC) and S.B. No. 88, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES OWNED BY MILITARY PERSONNEL," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1429 (CPC) and S.B. No. 665, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PREPAID HEALTH CARE PLAN," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1430 (CPC) and S.B. No. 1492, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ASSISTED LIVING FACILITIES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1431 (FIN) and S.B. No. 574, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1432 (FIN) and S.B. No. 740, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1433 (FIN) and S.B. No. 1261, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT CARD PAYMENTS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1434 (FIN) and S.B. No. 1286, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1435 (FIN) and S.B. No. 1397, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SIMPLIFIED TAX ADMINISTRATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1436 (FIN) and S.B. No. 1237, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on April 8, 2003.



Stand. Com. Rep. No. 1437 (FIN) and S.B. No. 1352, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOME AND COMMUNITY-BASED SERVICES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1438 (FIN) and S.B. No. 1239, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1439 (FIN) and S.B. No. 1309, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1440 (FIN) and S.B. No. 538, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1441 (FIN) and S.B. No. 576, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1442 (FIN) and S.B. No. 637, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO MISSING CHILDREN," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1443 (FIN) and S.B. No. 745, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1444 (FIN) and S.B. No. 1068, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE FACILITIES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1445 (FIN) and S.B. No. 1410, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE UNIVERSITY OF HAWAII AND PROVIDING APPROPRIATIONS THEREFOR," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1446 (FIN) and S.B. No. 1423, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO A COMMISSION ON FATHERHOOD," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1447 (FIN) and S.B. No. 1319, SD 1, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LIMITED PARTNERSHIP ACT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1448 (FIN) and S.B. No. 1426, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1449 (FIN) and S.B. No. 528, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE

TRANSFER OF COUNTY LANDS AND IMPROVEMENTS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1450 (FIN) and S.B. No. 837, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1451 (FIN) and S.B. No. 975, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1452 (FIN) and S.B. No. 1077, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTINUING EDUCATION FOR INSURANCE LICENSEES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1453 (FIN) and S.B. No. 1281, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1454 (FIN) and S.B. No. 426, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1455 (FIN) and S.B. No. 1446, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1456 (FIN) and S.B. No. 17, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1457 (FIN) and S.B. No. 1262, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1458 (FIN) and S.B. No. 1321, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1459 (FIN) and S.B. No. 1393, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EXECUTIVE DEPARTMENTS OF STATE GOVERNMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1460 (FIN) and S.B. No. 1055, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1461 (FIN) and S.B. No. 1034, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1462 (FIN) and S.B. No. 1432, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO DIVERSIFIED AGRICULTURE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1463 (FIN) and S.B. No. 1661, SD 2, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1464 (FIN) and S.B. No. 1700, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1465 (FIN) and S.B. No. 1241, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CANCER EXAMINATIONS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1466 (FIN) and S.B. No. 1505, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1467 (FIN) and S.B. No. 1519, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY HEALTH CENTERS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1468 (FIN) and S.B. No. 945, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN AND YOUTH," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1469 (FIN) and S.B. No. 1675, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1470 (FIN) and S.B. No. 658, SD 1, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY CONTRACEPTIVES FOR SEX ASSAULT SURVIVORS IN EMERGENCY ROOMS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1471 (FIN) and S.B. No. 1373, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO STAFFING FOR FEDERALLY FUNDED PROGRAMS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1472 (FIN) and S.B. No. 1403, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPARTMENT OF TRANSPORTATION'S MARITIME-RELATED USES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1473 (FIN) and S.B. No. 1156, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1474 (FIN) and S.B. No. 359, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO FILM INDUSTRY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1475 (FIN) and S.B. No. 1040, SD 1, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1476 (FIN) and S.B. No. 209, SD 3, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1477 (FIN) and S.B. No. 1332, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF OFFICIALS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1478 (FIN) and S.B. No. 1462, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1479 (FIN) and S.B. No. 248, SD 3, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1480 (FIN) and S.B. No. 464, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO IMPLEMENTATION OF A FIXED RAIL TRANSIT SYSTEM," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1481 (FIN) and S.B. No. 317, SD 2, as amended in HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE FIFTIETH ANNIVERSARY COMMEMORATION OF THE KOREAN WAR COMMISSION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1482 (FIN) and S.B. No. 1050, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERANS RIGHTS AND BENEFITS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1483 (FIN) and S.B. No. 16, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1484 (FIN) and S.B. No. 748, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO NURSING EDUCATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1485 (FIN) and S.B. No. 325, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1486 (FIN) and S.B. No. 354, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1487 (FIN) and S.B. No. 1399, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO A LONG-TERM CARE TAX CREDIT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1488 (FIN) and S.B. No. 635, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO TRAFFIC FINES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1489 (FIN) and S.B. No. 919, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR BIOREMEDIATION RESEARCH," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1490 (FIN) and S.B. No. 931, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII VICTIMS LEAVE ACT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1491 (FIN) and S.B. No. 1460, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS ENTERED INTO BY THE HAWAII TOURISM AUTHORITY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1492 (FIN) and S.B. No. 377, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1493 (FIN) and S.B. No. 1629, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1494 (FIN) and S.B. No. 1088, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1495 (FIN) and S.B. No. 1172, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO AIRLINES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1496 (FIN) and S.B. No. 1333, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF OFFICIALS IN THE JUDICIAL BRANCH OF STATE GOVERNMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1497 (FIN) and S.B. No. 1619, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1498 (FIN) and S.B. No. 855, SD 1, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1499 (FIN) and S.B. No. 1070, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATIONS FOR THE DETERMINATION OF PERMANENT IMPAIRMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1500 (JUD) and S.B. No. 946, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER CONSENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1501 (JUD) and S.B. No. 373, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT

RELATING TO CONDOMINIUM PROPERTY REGIMES," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1502 (JUD) and S.B. No. 78, SD 2, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELDER ABUSE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1503 (JUD) and S.B. No. 1594, as amended in HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1504 (JUD) and S.B. No. 1051, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL TRANSPORTATION," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1505 (FIN) and S.B. No. 830, SD 1, HD 2, as amended in HD 3, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1506 (FIN) and S.B. No. 58, SD 1, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1507 (FIN) and S.B. No. 1647, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR INDIVIDUALS WHO ARE BLIND OR VISUALLY IMPAIRED," were placed on the calendar for Third Reading on April 8, 2003.

Stand. Com. Rep. No. 1508 (FIN) and S.B. No. 44, SD 2, HD 1, as amended in HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," were placed on the calendar for Third Reading on April 8, 2003.

#### ADJOURNMENT

At 12:00 midnight, the House of Representatives adjourned until 9:00 o'clock a.m., Tuesday, April 8, 2003.

## FORTY-EIGHTH DAY

Tuesday, April 8, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 9:13 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Reverend Hiromi Kawaji, of the Aiea Hongwanji Mission, after which the Roll was called showing all members present with the exception of Representatives Pendleton and Souki, who were excused.

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

## GOVERNOR'S MESSAGE

The following message from the Governor (Gov. Msg. No. 237) was received and announced by the Clerk:

Gov. Msg. No. 237, returning Senate Bill No. 460 without her approval and her statement of objections relating to the measure, as follows:

"EXECUTIVE CHAMBERS  
HONOLULU  
April 04, 2003

## STATEMENT OF OBJECTIONS TO SENATE BILL NO. 460

Honorable Members  
Twenty-Second Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith without my approval, Senate Bill No. 460, entitled "A Bill for an Act Relating to Dune Buggies."

The purpose of Senate Bill No. 460 is to include dune buggy replica vehicles within the special interest vehicle registration requirements of section 286-26.5, Hawaii Revised Statutes, thereby removing such vehicles from the reconstructed vehicle registration law and eliminating the perceived disparity under the law between dune buggies and other vehicles currently classified as special interest vehicles.

This bill would allow one more category of vehicles to be used on Hawaii roads without compliance with Federal Motor Vehicle Safety Standards or the State's reconstructed vehicle law. These vehicles, for example, would not be required to be equipped with important safety equipment such as seat belts. This bill provides that "[s]eatbelts, bumpers, hoods, door handles, and fenders shall be optional equipment on dune buggy replica vehicles manufactured before 1969, and on dune buggy replica vehicles manufactured after 1968 to resemble a [sic] dune buggy replica vehicles manufactured before 1969." Furthermore, unlike other special interest vehicles in the current statute, the definition of "dune buggy replica vehicle" in the bill does not require that a dune buggy be modified "in a manner that does not adversely affect its safe performance as a motor vehicle or render the vehicle unlawful for use on the public highways." The public's safety should not be sacrificed simply for the sake of eliminating a perceived disparity between these different types of vehicles.

Dune buggies generally are less expensive than most special interest vehicles and are more likely to be driven by young

people. For the safety of these young people and the public generally, another category of unsafe vehicles on the public roads should not be permitted.

For the foregoing reasons, I am returning Senate Bill No. 460 without my approval.

Respectfully,

/s/Linda Lingle  
LINDA LINGLE  
Governor of Hawaii"

## SENATE COMMUNICATION

The following communication from the Senate (Sen. Com. No. 505) was received and announced by the Clerk:

Sen Com. No. 505, informing the House that the Senate has disagreed to the amendments proposed to the following Senate Bills:

S.B. No. 69, SD 1, HD 1  
"RELATING TO THE TEACHER EDUCATION  
COORDINATING COMMITTEE." (Teacher Education  
Coordinating Committee; UOH, DOE, HTSB)

S.B. No. 205, SD 3, HD 2  
"RELATING TO EMPLOYMENT." (Paid Leave; Education  
or Health of Children)

S.B. No. 540, SD 1, HD 2  
"MAKING AN APPROPRIATION FOR  
AGRICULTURAL RESEARCH AND DEVELOPMENT."

S.B. No. 579, SD 1, HD 1  
"MAKING AN APPROPRIATION FOR DEVELOPMENT  
OF A NON-EMERGENCY REPORT SYSTEM, KNOWN  
AS 3-1-1." (Non-Emergency 3-1-1 Report System; Grant-in-  
Aid)

S.B. No. 611, SD 1, HD 2 "RELATING TO COURT  
APPOINTED COUNSEL." (Appointed Counsel;  
Compensation)

S.B. No. 768, SD 1, HD 2  
"RELATING TO COLLECTIVE BARGAINING."  
(Collective Bargaining; Reinstatement to Binding  
Arbitration)

S.B. No. 789, SD 1, HD 2  
"RELATING TO PUBLIC EMPLOYEE HEALTH  
BENEFITS." (Public Employee Health Benefits)

S.B. No. 843, SD 1, HD 2  
"RELATING TO CONSERVATION OF AQUATIC LIFE,  
WILDLIFE, AND LAND PLANTS." (Conservation; Safe  
Harbor Agreements; Habitat Conservation Plans)

S.B. No. 1258, SD 1, HD 1  
"RELATING TO THE AGRIBUSINESS DEVELOPMENT  
CORPORATION." (Agribusiness Development  
Corporation)

S.B. No. 1279, SD 2, HD 2  
"RELATING TO TOBACCO." (Tobacco)

S.B. No. 1334, HD 1  
"RELATING TO THE STATE INTERNET

PORTAL"(State Internet Portal)

S.B. No. 1381, SD 1, HD 2  
"RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM."(Kapolei Library; Emergency Appropriation)

S.B. No. 1413, HD 1  
"RELATING TO KIKALA-KEOKEA."(KikalaKeokea)

S.B. No. 1425, SD 2, HD 1  
"RELATING TO BUSINESS MENTORING OF YOUTH AND YOUNG ADULTS." (Demonstration Program of Business Mentoring of Youth and Young Adults)

S.B. No. 1495, SD 1, HD 1  
"MAKING AN APPROPRIATION FOR THE HAWAII DROUGHT PLAN." (Appropriation; Hawaii Drought Plan)

#### RECEIVED BY THE CLERK

The Clerk, this day, received a copy of a communication dated April 8, 2003 from Paul T. Kawaguchi, Clerk of the Senate to the Honorable Linda Lingle, Governor of the State of Hawaii stating that, in accordance with the provision of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form to the following House Bill:

H.B. No. 714, HD 1, SD 2  
"RELATING TO EDUCATION"

#### MISCELLANEOUS COMMUNICATION

The following miscellaneous communication (Misc. Com. No. 3) was received by the Clerk and was placed on file:

Misc. Com. No. 3, from Daniel K. Akaka, United States Senator, informing the House that he received House Resolution No. 2.

#### INTRODUCTIONS

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

Representative Luke, on behalf of Representative Saiki, introduced 5th grade students of Hawaii Baptist Academy; their teachers, Ms. Carolina Kaanehe, Mr. Daniel Lee, and Ms. Janice Brook; and parents, Ms. Donna Bailey, Ms. Julie Lee, and Ms. Emily Weaver.

Representative Mindo introduced former State Representative Al Lardizabal.

Representative Arakaki introduced members of a coalition of churches: FACE, Faith Action for Community Equity, and their president, Rev. Neal McPhearson; the Coalition for Long Term Care, and their president, Mr. George Honjiyo; and the Hawaii Association of Retired Americans, and their president, Mr. Al Hamai.

Representative M. Oshiro introduced staff of the AFL-CIO Local 368, Mr. Tony Saguibo, Mr. Jimmy Kuroiwa, Ms. Donna Kekauoha, Mr. Al Lardizabal, and a group of substitute teachers.

Representative Saiki introduced former First Lady of the State of Hawaii, Mrs. Vicky Liu Cayetano.

Representative Thielen introduced Mr. Henry Curtis and Ms. Kat Brady of Life of the Land.

Representative Kahikina introduced former State Representative, Dr. Len Pepper.

#### ORDER OF THE DAY

#### COMMITTEE ASSIGNMENTS

The following Senate Concurrent Resolutions were referred to committee by the Speaker:

<u>S.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
25	Committee on Education, then to the Committee on Finance
32, SD 1	Committee on Education, then to the Committee on Finance
51, SD 1	Committee on Higher Education
58	Committee on Education, then to the Committee on Finance
59, SD 1	Committee on Education, then to the Committee on Finance
60	Committee on Education
120, SD 1	Committee on Consumer Protection and Commerce, then to the Committee on Finance
147, SD 1	Jointly to the Committee on Education and the Committee on Higher Education, then to the Committee on Finance
150	Jointly to the Committee on Education and the Committee on Higher Education, then to the Committee on Finance
151, SD 1	Committee on Higher Education, then to the Committee on Finance
181	Committee on Education, then to the Committee on Finance

#### COMMITTEE REASSIGNMENTS

The following resolution and concurrent resolutions were referred to committee by the Speaker:

<u>H.R.</u> <u>No.</u>	<u>Re-referred to:</u>
171	Committee on Tourism and Culture

  

<u>H.C.R.</u> <u>Nos.</u>	<u>Re-referred to:</u>
142	Committee on Consumer Protection and Commerce
219	Committee on Tourism and Culture

#### SUSPENSION OF RULES

On motion by Representative Lee, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading on the basis of a modified consent calendar.

#### UNFINISHED BUSINESS

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1426) recommending that S.B. No. 552, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 552, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNERS' LIABILITY," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1427) recommending that S.B. No. 1267, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1267, HD 2 pass Third Reading, seconded by Representative Lee.

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

"I rise in support with some reservations on this matter. Mr. Speaker this bill to me is very draconian in its way it punishes people who violate tax law. What it does is that if you are in possession of a cigarette, and it doesn't define how much and I asked this in Committee and they said one stick is enough. They said that we will not enforce it. Of course, I am not the kind of person that will trust enforcement officers to enforce things the right way. They will enforce things the legal way. The legal way is to look at this language which is that anyone that stores, acquires, transports a stick of cigarette, that is not listed in the particular directory that will be created under this bill, will be guilty. And if found guilty, will be confined in jail for five years. That Mr. Speaker I think is very, very strong punishment.

"And I'd like to contrast that to cigarettes that are unstamped, which originates from the United States, if you are in possession of 15 boxes, not one stick or one pack Mr. Speaker. Under the same section of the law, 245-37, you will also be guilty of a felony, which is five years in jail. A Class C felony. So Mr. Speaker, this is disparity here in the way we punish people and I think that people who are visitors who will bring in more than what they are exempt in bringing in through the airport will find themselves in jail for a long time."

Representative B. Oshiro rose to speak in support of the measure, stating:

"I stand in support of this bill. Just to clarify, I believe that Section 245-62 specifically allows for people to import for personal use. What this bill does is specifically gets at those people that are trying to get around the tax scheme. So if your intent is to get around the tax scheme, then we believe you should be punished. If it is for personal consumption and not to try and get around the tax scheme, then you are already exempted under 245-62. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1267, HD 2,

entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Souki voting no, and Representative Halford being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1428) recommending that S.B. No. 88, SD 1, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 88, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES OWNED BY MILITARY PERSONNEL," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1429) recommending that S.B. No. 665, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 665, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PREPAID HEALTH CARE PLAN," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1430) recommending that S.B. No. 1492, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1492, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ASSISTED LIVING FACILITIES," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1431) recommending that S.B. No. 574, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 574, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1432) recommending that S.B. No. 740, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 740, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1433) recommending that S.B. No. 1261, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1261, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT CARD PAYMENTS," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1434) recommending that S.B. No. 1286, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1286, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. I stand in support of Standing Committee Report No. 1434. I really have mixed feeling about this measure because I oversaw the consolidation measure that put together HCDCH along with the Hawaii Housing Authority under the previous Administration. It also places the agency within the Department of Business and Economic Development. And I am sure at that time consolidation seemed like a good idea, to coordinate functions of housing. Basically to look at housing development as an economic development activity.

"Sad to say, I think the biggest loser in that move was the people who needed low-income housing. As a result we are seeing more and more people are homeless, and a longer waiting list in terms of Section 8 and public housing. So I am hoping that as a policy message we can let people know that in terms of our housing policy for the State, we need to focus on people with the greatest needs."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in favor of Senate Bill No. 1286, House Draft 2, Relating to the Housing and Community Development Corporation of Hawaii.

"This bill would transfer administrative responsibility for the Housing and Community Development Corporation of Hawaii from the Department of Business, Economic Development, and Tourism to the Department of Human Services.

"During the public hearing on this measure, all of the major "players" involved testified in support. These included, HCDCH, the Department of Business, Economic Development and Tourism, the Department of Human Services, the Department of Human Resources Development and the Hawaii Government Employees Association.

"While I acknowledge that there is sufficient public support for this Administration measure, I would like to voice some concerns.

"The Chair notes that over the past twenty years, HCDCH, and its precursor, the Hawaii Community Development Authority, has been transferred three times:

- To the Department of Business, and Economic Development pursuant to Act 239, Session Laws of Hawaii 1983;

- To the Department of Budget and Finance pursuant to Act 26, Session Laws of Hawaii 1989; and most recently,

- Back to the Department of Business, Economic Development and Tourism pursuant to Act 350, Session Laws of Hawaii 1997.

"Throughout the history of HCDCH, it would seem that the Legislature and the Administration have developed varied positions on the agency most appropriate for HCDCH to be attached. In 2003, it would seem the most appropriate agency would be the Department of Human Services.

"Over the years, HCDCH and HCDA have been heavily criticized for its inability to provide for the needs of their intended clients. A large part of this criticism stemmed from a lack of adequate resources and staffing, while some must be attributed to the lack of consistent administrative leadership within the agency.

"I agree with the intent of this measure. If the transfer of HCDCH will improve the quality of services provided to the neediest of our community -- the poor, the indigent, and their children and families -- I will not stand in the way of its enactment.

"I bring this up only to show that changing the department to which the agency will be attached has already been tried many times, and yet we still have many of the same problems we faced twenty years ago. It is my hope that this transfer will truly provide our low-income citizens and their families with the desperately needed relief they deserve.

"For this reason, and this reason alone, I urge your favorable consideration of this measure. Thank you."

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"The purpose is to improve the coordination of HCDCH that would be best addressed in a compassionate way that would have the support from a Department that has the staff and purpose to address the housing and Section 8 needs."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1286, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1435) recommending that S.B. No. 1397, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1397, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SIMPLIFIED TAX ADMINISTRATION," passed Third Reading by a vote of 50 ayes, with Representative Halford being excused.

At 9:29 o'clock a.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:39 o'clock a.m.

The Chair directed the Clerk to note that S.B. Nos. 552, SD 2, HD 2; 1267, HD 2; 88, SD 1, HD 1; 665, SD 1, HD 2; 1492, SD 1, HD 2; 574, SD 1, HD 2; 740, HD 2; 1261, HD 2; 1286, SD 1, HD 2; 1397, SD 1, HD 2; passed Third Reading at 9:40 o'clock a.m.

#### LATE INTRODUCTION

The following late introduction was made to the members of the House:

Representative Arakaki introduced Mr. Greg Marchildon, Executive Director of AARP of Hawaii.

At this time, the Chair announced:

"Members, Standing Committee Report No. 1436 will be moved to the end of the calendar. Okay, Representative Ontai?"

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1436) recommending that S.B. No. 1237, SD 1, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, the report of the Committee and S.B. No. 1237, SD 1, HD 2, was deferred to the end of the calendar.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1437) recommending that S.B. No. 1352, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1352, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOME AND COMMUNITY-BASED SERVICES," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1438) recommending that S.B. No. 1239, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1239 SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. I rise in support of S.B. 1239, SD 1, HD 1. I applaud the intent of this bill, which is to encourage the use of biofuels in the State harbors and beyond. Using renewable energy such as biodiesel enables our State to become more self sufficient in our fuel needs. By purchasing the locally produced fuels, we keep our dollars circulating in the local economy instead of sending that money elsewhere.

"Biodiesel is cleaner than petroleum diesel and it operates in conventional combustion and ignition engines without engine modifications. I support the intent of the provisions to allow for the delivery of biodiesel fuel to all State harbors to fuel boats. There is no good reason why biodiesel manufactures should not be allowed to compete with petroleum.

"However on Maui, the price of biodiesel and petroleum are comparable, but the fueling in Lahaina Harbor for instance, which is a monopoly that has been set up by the State, does not have that choice of having a pump that would be able to deliver biodiesel fuel there. While I support the provisions of this bill, I don't believe the State bear the cost of the infrastructure. The cost of putting a diesel pump in is approximately a \$150,000. The loose language of this bill could be used to allow the State to pay to install pumps. Currently, in some harbors where it is allowed, biodiesel is delivered by truck. Unfortunately, harbors that have a pump concession, that is not the case.

"So I could support this bill if at any point a private company believes that it can make a profit by investing in pumps or that diesel fuel could be delivered to that harbor by truck without having the requirement that there be a pump installed. For those reasons, I support this bill with some reservations."

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

"Thank you, Mr. Speaker. I also rise in support with the same reservations. I won't go through the whole speech, but I am concerned about having to provide the pumps."

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

"Thank you, Mr. Speaker. I also rise in support of this measure. I do have some concerns where there is a provision in the bill that mandates that public, the City and County, the State, should give a priority to biodiesel, with nothing that talks about a cap or a price differentiation. And that is a concern of mine. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1239, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1439) recommending that S.B. No. 1309, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1309, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1440) recommending that S.B. No. 538, SD 1, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 538, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1441) recommending that S.B. No. 576, HD 1, as amended in HD 2, pass Third Reading.



Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 576, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Mr. Speaker, I am rising in opposition to Standing Committee Report 1441. My objection to this is that we are kind of micro-managing the University of Hawaii. The current purpose authorizes the University of Hawaii Board of Regents to make expenditures from the University of Hawaii Tuition and Fees Special Fund to promote alumni activities and generate private donations. This bill requires an annual report to the Legislature regarding monies expended from the special fund for those purposes, and that it must be submitted no later than 30 days before the convening of each Regular Session. We have over the past seven years given the University more and more autonomy. I think this sends the message that the Legislature is still hanging over their shoulder and telling them what to do. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in support of this measure. Thank you. I'd just like to educate the previous speaker and ask her to ask some of our friends at the University and specifically, with the UH Foundation. Because both the University and the UH Foundation came and asked us to make these changes to S.B. 576.

"Currently, State law allows the University to use its Tuition and Fees Special Fund for the purpose of generating private donations. We started that I think about five years ago, but the University and the UH Foundation has worked out an agreement to transfer all alumni activities to the UH Foundation. Therefore, support in the form of Tuition and Fees Special Fund revenue must also be reflected in the law.

"In addition Mr. Speaker, the request for the reporting requirement came from the University as the result of some of the concerns prior to the recent audit. So I think that people, Members, should take a look at this bill and should support it. I just wanted to make very clear that the University and the UH Foundation both support passage of this bill. Thank you."

At 9:48 o'clock a.m., Representative Thielen requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:53 o'clock a.m.

Representative Meyer rose and stated:

"Mr. Speaker, given the additional information provided by the Chairman of Higher Education, I would wish to withdraw my no vote."

The Chair responded:

"It will be reflected in your vote later on."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 576, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1442) recommending that S.B. No. 637, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 637, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MISSING CHILDREN," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1443) recommending that S.B. No. 745, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 745, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," passed Third Reading by a vote of 50 ayes, with Representative Bukoski being excused.

The Chair directed the Clerk to note that S.B. Nos. 1352, SD 1, HD 2; 1239, SD 1, HD 2; 1309, SD 2, HD 2; 538, SD 1, HD 1; 576, HD 2; 637, HD 2; 637, HD 2; 745, SD 2, HD 2; passed Third Reading at 9:53 o'clock a.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1444) recommending that S.B. No. 1068, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1068, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE FACILITIES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1445) recommending that S.B. No. 1410, SD 1, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1410, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE UNIVERSITY OF HAWAII AND PROVIDING APPROPRIATIONS THEREFOR," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1446) recommending that S.B. No. 1423, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1423, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

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

"I am rising in opposition to this measure. As much as the Commission on Fatherhood may be important, I don't believe that our State is in a fiscal position at this point, to spend the money and to do this. Thank you."

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

"Thank you, Mr. Speaker. I would like to rise in support. You know, people giggle and people laugh when they see things like why do we need a Commission on Fatherhood. I'd like to cite an example on why we need this. But first, you know the Commission is actually supposed to make sure that fathers are represented in our policy-making and other things that are important to our culture and our society. But let me cite you an example why we need it.

"There is a section of law in our statutes called, 'custodial interference in the first degree'. This law goes into effect when there are two people that are unmarried, produce a child. The male in this particular instance, has no custodial rights whatsoever. The female of these two parties is the sole custodian of that particular baby. If for one reason or the other, this couple lives together a year, ten years, whatever, and they raise this child together, even if the father is the primary caretaker and the mother is maybe the person that is not involved in the care of the child. And then they separate, and go their own ways and they agree to do this. And for some reason or another, a year later that the woman says she wants the child back and the man says no. The law then goes into effect and says you just have interfered with the rights of the custodial parent. Fathers do not have rights in any situation where there is no marriage. I understand that its just it may take another. This may take effect only in that particular instance. But there is a trend, Mr. Speaker, that fathers tend to be different fathers, from their fathers.

"My father, I can tell you, I love him but he has never taken a hand in taking care of his children. On the other hand, his children, myself and my brothers, do that. We take a hand in changing diapers, we feed the baby, we care for the baby, we participate in the upbringing of the child. I think that the fathers of the 90s have changed the way we look at nurturing children. And because our society may take a look at the Commission on Fatherhood as something that is offensive to the Women's Caucus or the women's movement, I think that the debate must continue and the Commission of Fatherhood is something that we need.

"We need participation in the debate, to make sure that we fathers who care for our children, will have our say. It may cost some money, and if it does, hopefully we can find a way to incorporate this in our budget. Thank you, Mr. Speaker."

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

"In strong support and ask that the words of the Representative from Waipahu be entered into the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Kahikina continued, stating:

"And Mr. Speaker, may I say that fathers should be the head of the household, and anytime when we advocate and encourage families to stick together, especially fatherhood and being responsible. I think this is worthy of our support."

Representative Stonebraker rose to respond, stating:

"Thank you, Mr. Speaker. Brief rebuttal. This is not a debate about fatherhood and a Commission. It is a debate about whether or not the State is in a position to do this. This bill will create a Commission, which would be required to file reports to the Legislature, to the Governor each year. It would also require each State department, commission, authority or body within the Executive branch to report to this Commission.

"So what we are talking about is another layer of bureaucracy on an already overloaded State that has so much bureaucracy. And so this isn't a debate about fatherhood and how much we should pay attention to it. It is a debate about what level of bureaucracy will we continue to push forward at the detriment of the people of this State. And for those reasons, I am voting no. Thank you."

Representative M. Oshiro rose to speak in support of the measure, stating:

"I rise in strong support. Just briefly Mr. Speaker, this bill will establish a Commission of Fatherhood within the Department of Health to provide for a statewide program on a permanent and continuing basis to promote healthy family relationships between parents and children that are father friendly and inclusive. Mr. Speaker, I would like to submit the rest of my written comments into the Journal. Thank you," and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in favor of Senate Bill No. 1423, House Draft 2, Relating to a Commission on Fatherhood.

"This bill would establish the Commission on Fatherhood within the Department of Health to provide for a statewide program, on a permanent and continuing basis, to promote health family relationships between parents and children that are father-friendly and inclusive.

"Each year, over a million marriages end in divorce. Thirteen million children -- more than one-fifth of all children under eighteen -- now live with a divorced single parent or in married stepfamilies. As the divorce rate during the early years of marriage has grown, a higher percentage of divorces are taking place among the parents of young children.

"At the same time, the focus of divorce law has shifted dramatically over the past twenty-five years. Divorce is no longer an exclusively fault-based ordeal, involving proof of cruelty, adultery, or other form of marital misconduct. Increasingly, "irretrievable breakdown" of the marriage, "irreconcilable differences", or living apart for a minimum period prescribed by law have become common grounds for divorce. Although only a few states have done away with fault-based grounds altogether, all fifty states have now added some form of no-fault provisions to their divorce laws.

"Since the 1970s, a virtual revolution in child custody law has dramatically altered the legal framework governing child custody. Until the nineteenth century, fathers were automatically entitled to custody of their children. From Roman times until the last century, fathers were viewed under common law as their children's natural guardian. Fathers had an inalienable right both to the child's physical custody and to all income earned by the child.

"Beginning in the mid-nineteenth century, courts deciding custody disputes began to forsake the notion of children as the exclusive property of their father and to focus instead on the child's need for nurturing and care. By the early part of the twentieth century, it was generally assumed that children, particularly young children under the age of seven, were better off with their mother after a divorce. As recently as 1976, in more than thirty states, the mother was awarded custody of her young children, as long as she was not unfit.

"By the 1970s, however, this legal rule, known as the "maternal preference" or "tender years" doctrine, had come under attack by fathers' rights advocates and some feminists on

the grounds that it perpetuated sex-based stereotypes and violated the Equal Protection provision of the United States Constitution. Most states now specifically prohibit discrimination on the basis of sex in child custody cases and substitute a broader and vaguer "best interests of the child" test that requires judges to take into account a number of factors before making their custody decisions.

"To better understand why this bill is necessary, we must also look at the legal rights of children. It is clear that children possess legal rights. The United States Supreme Court wrote in In re Gault that "neither the Fourteenth Amendment nor the Bill of Rights is for adults alone." And in Bellotti v. Baird, the Court stated that "[a] child, merely on account of his minority, is not beyond the protection of the Constitution."

"However, decisions from the United States Supreme Court recognize "three reasons justifying the conclusion that the constitutional rights of children cannot be equated with those of adults." First, children are particularly vulnerable to exploitation and maltreatment. To afford children the special protection that is their due, children's rights must be limited in some, although not all, respects. Second, children are unable to make certain decisions in a rational and mature manner. Finally, the role of parents in child rearing dictates that children's desires must sometimes be subordinated to parental judgment and control.

"It is for these reasons that the Courts have recognized a constitutional right to child rearing. The notion of "parental rights" encompass a far broader idea than merely the power of a parent over his or her child. Rather, the term is a substitute for the basic notion that childrearing and family life are primarily private matters of intimate association of family members.

"The United States Supreme Court has remained fairly consistent since the Court first considered the issue more than seventy years ago. What this means is that the state's power to regulate the lawful prerogatives of parents over their children or to intrude into the realm of family life is severely limited by the Constitution.

"In 1923, for example, the Supreme Court struck down a Nebraska law that prohibited the teaching of a foreign language in state-run schools because "the right of parents. . . to instruct their children" is protected by the due process clause of the Fourteenth Amendment to the Constitution. In a 1944 opinion, the Court wrote: "It is cardinal with us that the custody, care and nurture of the child reside first in the parents, whose primary function and freedom include preparation for obligations the state can neither supply nor hinder." In 1972, the Court reaffirmed this notion by stating: "The history and culture of Western civilization reflect a strong tradition of parental concern for the nurture and upbringing of their children. This primary role of parents in the upbringing of their children is now established beyond debate as an enduring American tradition."

"Parents have rights to raise children and to make decisions about their upbringing. Yet, there are policies and practices in government that restrict the ability of parents, and in particular fathers, to support, guide, and nurture their children. The role of fathers in the raising of children and in the health and well-being of families is often unintentionally overlooked in government contracts, programs, and services dealing with children's health, welfare, and education. This problem is the result of the State's continued reliance on the anachronistic "maternal preference" or "tender years" doctrine, rather than the more appropriate "best interests of the child" standard.

"This bill seeks to remedy this situation by creating a Commission that would reexamine State policies and practices,

on an administrative level, to ensure that ultimately, the best interests of the child are served.

"I must admit, on first glance, I was as skeptical as many of my colleagues were on the need for this bill. Yet, upon closer inspection, I believe that this is a good bill. Because the Courts have taken such a strong position on family rights, it is arguable that any policy or practice that is determined to restrict a parent's ability to raise his or her child, could conceivably open the State to costly liability and litigation that would further drain already meager resources for necessary programs and services.

"For these reasons, I respectfully urge my colleagues to support this bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1423, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A COMMISSION ON FATHERHOOD," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Blundell, Jernigan, Ontai and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1447) recommending that S.B. No. 1319, SD 1, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1319, SD 1, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LIMITED PARTNERSHIP ACT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1448) recommending that S.B. No. 1426, SD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1426, SD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you Mr. Speaker I rise in support but with some reservations. This bill would create a collective bargaining unit for substitute teachers of the Department of Education, including part-time employees working less than one-half of a full-time equivalent. It would allow the members of the bargaining unit to strike. My concern is that we use close to 1,000 substitute teachers everyday in our schools, and recently the DOE has come out with their opinion that according to the federal law on "No Child Left Behind," that they cannot use teachers who have not received a BA degree or the equivalent of a BA degree, which would take a quite a large number of substitute teachers who are serving in our schools now out of commission.

"With this 'right to strike', I would be concerned that a small number of substitute teachers could really create havoc in our schools. The other thing is when someone is working just part-time, their income is not too great. I am not sure in reading the bill, whether they would have a choice, whether they must pay dues or not. I would think this could be a quite a large amount of money for a part-time employee. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in support of this measure with some reservations. My only reservation is the creation of this new bargaining unit which will be the first bargaining unit comprised entirely of part-time staff. Thank you, Mr. Speaker."

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

"I rise in strong support of this measure."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. Mr. Speaker, this bill, S.B. 1426, SD 1, Relating to Collective Bargaining and Public Employment would create a separate collective bargaining Unit Number 14, the first since the early 80s. According to the Department of Education, every school year there are more than a thousand absences per day, requiring substitute teachers and their services to replace classroom teachers. In the majority of instances Mr. Speaker, these absences occur unexpectedly and with very short notice to the employer. But they must be filled, classes must operate, kids must be taught. Furthermore Mr. Speaker, the length of the teachers absence is often difficult to determine.

"This measure will affect about 4,200 workers, 4,200 substitute teachers. To give Members a sense a perspective with the other bargaining units. Consider that Unit 6, HGEA educational officers have about 700 members. HGEA Unit 9 nurses have about 1,200 members. And the University of Hawaii Professional Assembly, Unit 7, has about 3,000 members. Mr. Speaker, while the work of substitute teachers is varied and greatly appreciated, these individuals are not employed as full-time employees and as such, the DOE cannot guarantee the number of days or the amount of their income. But because of this, substitute teachers are hired on a day-to-day basis, and do not receive permanent status or benefits.

"Mr. Speaker, we learned that the wages of substitute teachers are currently set by statute. According to section 302A-624, subsection (d), Hawaii Revised Statutes, the per diem rate for substitute teachers is based on the annual entry step salary rate established for a Class II teacher on the most current teacher salary schedule. The teachers' salary schedule is connected to the per diem rate, and is based upon the collective bargaining conducted by Unit 5, which is represented by the HSTA.

"Mr. Speaker, in 1981 the Hawaii Public Employment Relations Board issued a ruling in the matter of HSTA and the Board of Education, which prohibited substitute teachers from being represented by the HSTA in collective bargaining. In that case, the Employment Relations Board ruled that teachers who work less than 20 hours per week are not included in Unit 5, nor are they entitled to protection under our collective bargaining law and constitutional provisions. In other words Mr. Speaker, although the wages of substitute teachers are based on the salary negotiated by Unit 5, substitute teachers are not represented by Unit 5, nor any substitute teacher able to negotiate on their own behalf for wages and working conditions.

"Mr. Speaker, I've always been a firm believer in the right to collective bargaining. I've always felt that the right to collective bargaining is a fundamental right, has been a cornerstone of our democratic way of life, and of giving the ability of workers to organize and negotiate on an equal footing with their employer in a reasonable manner for the betterment of their lives. It is a worker's dignity that is protected in this process. And all community sectors are advanced. Substitute

teachers have demonstrated their worth to the Department of Education. They are necessary for the provision of educational service to our youth. In my view Mr. Speaker, why shouldn't substitute teachers be able to negotiate on their own behalf? For their own wages, for their own working conditions, for their own terms of employment. Not only will this ensure valuable employees will have a say but, it will also provide their protections in employment relations that only a union can provide its members. It is for these reasons Mr. Speaker, that I ask this Body to support this measure. Thank you."

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

"Thank you, Mr. Speaker. In support with some reservations. I have no problems with collective bargaining units, especially how they were originally formed or why they were originally formed, and that was to protect the workers, because workers many, many years ago were exploited. The reason the substitute teachers, I believe, need a collective bargaining unit is because of their working conditions. It is not that they are working in schools. It is the jobs that they are given in the schools. They are not called in just to substitute teach, or if they are called in to substitute teach, then they are kept around to do xeroxing and other jobs that I believe are beneath what they are supposed to be doing. And there is no protection at all.

"I have to add here Mr. Speaker, that this is a collective bargaining unit and I believe in collective bargaining. I do not believe in binding arbitration and that is a different matter. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In opposition. I just want to make two points, Mr. Speaker. I understand the need to take care of our workers. However, I think by creating a collective bargaining unit it might give the wrong impression that we are only looking for part-time teachers. I think the more important message we need to send is we are looking for professional teachers, full-time teachers who need to be compensated and taken care of properly and make sure they have a professional development system.

"My second comment would be that I think that is one area that we ought to leave to the Department of Education to assess what a market value is to be paid for teachers. If we are short, then we are definitely not taking care of them. If we have too many, then maybe we are too generous. But I think that is a definitely market-based question that we can leave to the Department of Education, Mr. Speaker. Thank you."

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

"Mr. Speaker, in favor please. And aside from the previous no vote, I would like to include, incorporate, the words of the previous speaker as my own. He made some very good points," and the Chair "so ordered." (By reference only.)

Representative Halford continued, stating:

"Mr. Speaker, the origin of this collective subject matter dates back to the last teachers strike. The teachers were given a raise and the employer, the Department of Education, chose not to implement the formula to pay the substitute teachers that correct amount. The formula was based on HSTA's or the teachers' pay. There is a formula. The DOE did not want to implement that statutory formula. The employer really disregarded, in my view, the value of substitute teachers. And

if I could further express my opinion, the DOE's position was actually belligerent and damaging to our educational system by not being willing to follow through with the statutory provision.

"Unfortunately Mr. Speaker, that attitude of treating our State employees disparagingly is too prevalent. As much as this State, as our government has in the past said, that it's been for workers, it is my experience that they have been against workers. Could I cite payroll lag as one example? An abusive system predatory on workers. It is I believe because of the misanthropic nature of our past Administration, of our previous Administration of the State of Hawaii, that measures like this collective bargaining unit become essential. Thank you."

Representative Bukoski rose in support of the measure with reservations, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bukoski's written remarks are as follows:

"In support with some reservations to SB 1426, SD1. This bill creates a separate collective bargaining unit, Unit 14, to represent substitute teachers and other part-time employees in the DOE. As I understand it, as a result of the "No Child Left Behind Act", substitute teachers will need a minimum of a BA in order to be considered. I feel this will place the DOE at a hardship in finding qualified individuals to meet these minimum requirements in order to satisfy the NCLB Act. As I also understand it, current individuals in this class are not necessarily being treated fairly, and are being asked to complete tasks outside the realm of that of a teacher. I also understand that following the recent teachers strike, the DOE, although full-time teachers received a pay increase, failed to implement the formula provided by statute that would allow for relative increases for substitute teachers. For these reasons, I believe it is fair to say that they should have a unified voice and the ability to collectively bargain for equal treatment and fair pay.

"However, my reservations are due to the payment of union dues that may or may not be completely supported by all members of this class. My assumption is that in order to participate in such a position should this separate unit be created, you will need to become a member of the collective bargaining agent and pay the required collective bargaining dues that would more than likely apply. In addition, I feel that the creation of such a unit will have an adverse affect on our fiscal ability to balance the budget in the future. We are currently facing very difficult times, fiscally, and already we are being forced to make very hard decisions and cut some very worthy programs and funding. It was testified that there are currently approximately 4,200 substitute teachers. Creating such a unit will allow for collective bargaining for higher wages and benefits, a cost that currently does not exist. Such a measure will significantly impact the cost to an already overburdened budget, as well as to an already overburdened retirement system. For these reasons, I speak in favor, but with some reservations.

"Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in support. I just wanted to mention that rural areas rely very heavily on substitute teachers. For instance, in the Waianae district where they have a very high teacher turnover, we use a lot of substitute teachers.

"Just referring to the earlier comment about the "No Child Left Behind" Act. My staff has done some research and it

appears to us that the Act does not require that substitute teachers have a BA. This is having a severe, severe impact on the Waianae district. For instance, at Waianae High School only two of the substitute teachers have BAs so they are looking at a real shortage. Many of the substitute teachers out in that area have taught for years. They are *kupuna* who have been there for decades and they are being handed a 'blue slip' saying their last day of work is April 22nd. So I think that substitute teachers really do need to have more of a voice. Thank you."

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

"I rise in opposition. Real briefly. I don't think it is fair to the substitute teachers to lay a \$600 bill on them every year to be a part of the union. The teachers should be free to come and go as they please. And to force this on substitute teachers, I don't think is fair for them. We're concerned about how much they get paid, but move forward something like this would force them to pay \$50 a month, perhaps, to be a part of the union. What if they don't want that? We're going to force that on them? I care too much about substitute teachers for push this bill on them."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1426, SD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Blundell, Fox, Jernigan, Leong, Ontai, Pendleton and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1449) recommending that S.B. No. 528, SD 2, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 528, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSFER OF COUNTY LANDS AND IMPROVEMENTS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1450) recommending that S.B. No. 837, SD 1, HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 837, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"The purpose of this bill is to address critical industry needs and promote business development by clarifying the purpose and direction of the Workforce Development Council to coordinate all State and county agencies and private industry to grow our workforce."

Representative M. Oshiro rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in favor of Senate Bill No. 837, House Draft 2, Relating to Workforce Development.

"This bill would address critical industry needs and promote business development by clarifying the duties of the Workforce Development Council. Among other things, this bill would:

- Require the Department of Business, Economic Development and Tourism to submit annual reports to the Legislature on its efforts to increase the number of high-skilled jobs in targeted industries;
- Require the Workforce Development Council to include in the comprehensive state plan for workforce development the number of placements of individuals into higher-skilled jobs, the identification of high-demand areas for job growth, and the need for skilled workers in the next five and ten years;
- Require the Workforce Development Council to review and assess the coordination between State and federal workforce development programs and placements of workers in higher-skilled jobs, and to establish reporting requirements for job placement results by category of occupations in high-demand and high-growth areas; and
- Require the Workforce Development Council to include in its annual report information relating to the number of individuals placed in high-demand or high-growth employment through workforce development programs by departments, and allocations of State, federal, and other funding to achieve placements into high-skilled jobs.

"I agree that this bill will help focus the State's approach in developing programs and integrating its resources to promote workforce development, and provide the Legislature with specific data and other resources to assist us in deliberating the cost-effectiveness of the various initiatives already established for workforce development.

"For this reason, I urge my fellow colleagues to support this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 837, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1451) recommending that S.B. No. 975, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 975, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. First of all, I'd like to thank the Chairs of the various Committees. I'm standing in support with a little bit of a reservation. I'd like to thank the various Chairs for working this bill. I really appreciate their work. The bill, as first introduced, was just out of control. But this one is well controlled. However, this last comment on the final product is that, you know, each time we limit liability for the State and county, it equates to limiting their responsibility to make things safe for us and our children. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 975, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

GOVERNMENT," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Waters voting no.

The Chair directed the Clerk to note that S.B. Nos. 1068, SD 1, HD 2; 1410, SD 1, HD 1; 1423, SD 2, HD 2; 1319, SD 1, HD 3; 1426, SD 1; 528, SD 2, HD 1; 837, SD 1, HD 2; 975, HD 1; passed Third Reading at 10:14 o'clock a.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1452) recommending that S.B. No. 1077, SD 1, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1077, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTINUING EDUCATION FOR INSURANCE LICENSEES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1453) recommending that S.B. No. 1281, SD 1, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1281, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1454) recommending that S.B. No. 426, SD 1, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 426, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1455) recommending that S.B. No. 1446, SD 2, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1446, SD 2, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Mr. Speaker. I rise in opposition to this bill. S.B. No. 1446, SD 2, HD 1, dealing with the Cancer Detection Development Revolving Fund. My concern with this bill, the way it is written now, is that the money would be coming from the ..."

At 10:15 o'clock a.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 10:17 o'clock a.m. with the Vice Speaker presiding.

Representative Meyer continued in support of the measure, stating:

"Thank you, Madame Speaker. I rose originally in opposition to this bill. I was looking at an earlier draft and I see that the problems that I had with a specific vendor being

named, and using tobacco funds has been removed. So, I will be standing in support. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1446, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1456) recommending that S.B. No. 17, SD 1, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 17, SD 1, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I rise in opposition to this measure. Madame Speaker, this measure deals with the kindergarten age and attendance. An issue in this State. Personally, I believe that our children need as much education and intellectual stimulation and growth, as early on as possible. Part of that involves the State, but much of it involves the parents.

"Parents need to, first of all, take charge and be actively involved in making sure that their children are learning and not just sitting in front of the TV watching cartoons. And that's what we've done in our home. Right from the beginning, we tell our kids that they are in home-school, right from pre-school. And then they go on to other schools, public and parochial.

"The reason why I oppose this measure, Madame Speaker, is that I believe that this particular Senate bill, S.B. 17, SD 1, HD 1, is a measure in conflict with itself. There may be good intentions behind it. The goals may be noble, but I don't believe it is well thought through.

"Just a couple of examples, Madame Speaker. If a person would turn to page 2 of the bill, you'll see here, line 16 to 19, it says that, "the department shall establish and maintain kindergartens with a program of instruction that is a part of the public school system, provided that attendance shall be mandatory." That's a change. So instead of right now, parents having the option of whether they want to education their kids at home when they're 5, at the kindergarten age. Instead of that, it is going to be mandatory.

"And amazingly, on page 3, instead of allowing the parents the flexibility in determining when they should start school, it basically says, that beginning with the 2007-2008 school year, a child shall be at least 5 years of age on or before September 1st of the year in which the child enters any kindergarten. Again, it takes away discretion. It takes away flexibility. It takes away some of the parental choice that a parent would have with respect to his or her own child. It says, basically that when school starts, when September 1st rolls around, that kid has to be 5.

"So on the one hand, we say, "No, we don't want kids to be home-schooled at age 5. We want them in kindergarten." And on the other hand, we say, "But, on a certain date, they better be a certain age."

"To me, what we want to do is maintain as much flexibility as possible. Instead of a 'cookie-cutter' approach, saying that all of Hawaii's *keiki* are uniformed. All of Hawaii's *keiki* will benefit from this one program, we should say, "You know what? Kids are a little bit different." Girls tend to be more

mature at a different age. Different children, different families, different ethnic backgrounds. We should maximize flexibility, maximize options for parents to say, "You know, my first child is a real 'go-getter'. We can start him younger. He or she can turn 5 during the kindergarten school year. But Johnny, he's a little more creative, a little bit different. We'll wait. We'll home-school him through kindergarten and then send him to first grade." That kind of creativity. That kind of parental discretion, flexibility is being taken away by this measure.

"It is because of that, that I oppose it. I think the intention is good. We want to make sure our children have as much education as possible. We should also note that according to the testimony, that Good Beginnings Alliance opposed this particular measure. I wasn't there for the hearing. I don't know the details of their opposition. But I have a great deal of respect for that particular organization. They work a lot with young people. Again, I think what this measure does is it takes away flexibility where there should be a lot of flexibility. This measure basically says that our children at this age are more uniformed, and this one approach should address all of them. I think we should acknowledge that there are difference and be able to trust the parents that they can distinguish between their *keiki* and say that this is what's best a this time for this young person of mine, and perhaps a little different approach. And a little tailor-making of starting school, I think, will be very good.

"My own kids, I have four kids. My older son tended to be much more math/science oriented. And that was just his style. The younger girls took off much faster reading and writing, and vocabulary and all that stuff. So they were reading from age 4. For our boy, that was a little bit different. That didn't mean that one was smarter, or less smart than the other. They were just different. The flexibility in the current law was good. I'd like even more flexibility. But this measure moves in the wrong direction toward a more 'cookie-cutter', one approach for all our *keiki*. And for that reason, I oppose this measure. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I am rising to speak against the bill. Thank you, Madame Speaker. The bill does require that a child who enters kindergarten must be 5 years of age, on or before September 1st. The difficulty with this is that we all know that the studies show that children learn better and learn faster when they are given early education. The bill actually goes the wrong way, and actually, the people that it will hurt the most are those in the lower-income communities, where they may not have early education programs available for them.

"You take a look at the bill and the people that were testifying in support on it, and in opposition. Most all of them were sympathizing with the intent that we want children to be ready when they enter kindergarten. But they were unanimous that the bill shouldn't become law without provisions for a pre-kindergarten program. The bill lacks that very critical element.

"The DOE said they were supportive of pre-kindergarten programs on school campuses but said they couldn't run those operations alone. The Hawaii Association for the Education of Young Children opposed the bill because it had no provision to ensure that the displaced children had a pre-school option. And a school psychologist testified that if the age is raised, all must have access to high quality pre-school. She also said that there should be provisions for exceptions.

"The HSTA said that they supported the creation of a pre-kindergarten program. And the Good Beginning Alliance recommended that the bill be amended to require the State to

provide funding so that early education systems are available to 4 year-old children. Seagull Schools testified that the State should appropriately address the unmet needs of programs for children age birth to 5 years, where the most significant learning period takes place. We now are going to be passing a bill that will keep children from participating in a program where the most significant learning period will take place. The consequences of the bill, I think, need to be more carefully examined.

"We have a House Draft 1 which means it will go to Conference, but the difficulty is that we don't have money this year to be able to provide those earlier education programs for certain disadvantaged communities, and across the State. So I think the bill should be held until we can go back and look at this in a comprehensive way. Otherwise, we are short-changing our students during their most important early learning period, Madame Speaker."

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

"Thank you, Madame Speaker. I am rising in opposition and may I request that the words of the prior two speakers be incorporated in the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Sonson continued, stating:

"I'd like to sum it all up to one sentence. That age does not equate to maturity. If age was the only factor to look for in maturity in attending kindergarten, I would not have been able to attend kindergarten until I was 7. So I don't think that it is true for every child. Since children are growing differently, I think a law such as this is not called for. Thank you very much."

Representative Waters rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"Thank you, Madame Speaker. I would like the words from the Representative from Kailua to be incorporated into the Journal as my own," and the Chair "so ordered." (By reference only.)

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

"In support. I would like to include the words of the Representative from Kailua as my own, except for her no vote. Her points are well taken and well made," and the Chair "so ordered." (By reference only.)

Representative Halford continued, stating:

"Madame Speaker, it is never too soon to start learning. And that sums up my view and my agreement with the words of the speaker from Kailua. However, because the Department of Education will not create a curriculum for those younger students that are being currently admitted, that is those in the last part of the year. Since they won't change their curriculum, I believe it is appropriate to change the entry date.

"Madame Speaker, I think that the essential point here is that the curriculum that is appropriate for the development of a child is essential to have effective education. What we are finding now is that many of the younger children that are entering are put in to a classroom situation that they are not

developmentally ready for. They get behind in the beginning, and then they're behind again in 1st grade, 2nd grade, and then many of them never recover. And we see failures in 8th grade and beyond because of the inadequacy of the curriculum for their development in the beginning of their school years.

"So I believe that this bill would be avoidable if the Department of Education would be willing to look at those younger children and have a curriculum appropriate for their development. And in fact, I would be in favor of earlier school, starting at 3 or 4 years-old, as long as the Department of Education were willing to create a curriculum appropriate for the children's development."

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

"Thank you, Madame Speaker. I would like to speak in favor but with some strong reservations. And as it is now, the bill in this form now, I would probably vote against it, but I know it has to go to Conference. I would support a measure which would allow for maybe a pre-school type of program with the savings realized from a later starting date for kindergarten.

"My concern is that your Keiki Caucus, Madame Speaker, and I think you know as a mother of a young child, we supported early childhood education as a major strategy in terms of having our children healthy, safe and ready to learn. We also know from the studies of brain development that the early years are the best years for children to learn. I think there is no better example, in terms of language learning, than the 'Aha Puanaleo Program. They show that language learning for pre-schoolers is much better at that age than in high school.

"I guess the real problem that I have is that we are doing this because we hear that we are having problems with, especially boys, who start early. To have nothing, to have no program or safety net, and to say that we have a problem with this age group, or with this certain category, and just have them drop out, I don't think that is a good strategy. If that is the strategy, do we allow all the children with problems to just drop out of the system? I don't think so. I think the way to do it, the way to improve education, is to provide alternative solutions. If this category of children have problems, then we need to address it.

"I really think that we need to pursue a strategy of universal access to early childhood education for three to four year olds. Statistics show that a major portion of our children who don't have access are the ones who are really not poor enough to qualify for programs, but yet don't have the sufficient means to afford early childhood education. I hope we can really look seriously at this proposal, and look at solutions rather than just saving money. Thank you, Madame Speaker."

Representative Hale rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Kaho'ohalahala rose in support of the measure with reservations, and asked that the remarks of Representative Arakaki be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"Madame Speaker, I rise in support of this measure with some reservations. Madame Speaker, very strong research has indicated that children who start kindergarten even a half-year later are more developmentally ready and equipped to begin learning the material of that grade level. It also shows that those children who enter kindergarten at a more mature age are



less likely to develop a learning disability and more likely to graduate from high school and go on to college. These results may seem rather general and intangible, but their truth lies in the fact that almost every other state in the country has implemented a similar late start date for kindergarten with a good deal of success.

"The real key to the success of this bill will be how our State will handle the displaced children and families that will arise from the implementation of a bill like this. If we can find a way to provide adequate funding and support for many different kinds of pre-kindergarten programs and for the families that will be affected, especially those who are struggling, then our communities and our children will be better off and even more secure as a result of the positive long-term effects such a measure will ensure.

"This bill is a step on the journey to helping our young people succeed and I hope that we can all find a way to work together to make the transition work for both our schools, our communities and our families.

"For those of you who are interested, I call your attention to *The Myth of the First Three Years: A New Understanding of Early Brain Development and Lifelong Learning* by Dr. John Bruer. Look it up. Read it. And see for yourself. Thank you, Madame Speaker."

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

"Madame Speaker, I rise in support of the measure. I would also like to refer my colleagues to that book. If anyone's interested in reading it, I have a copy in my office. I would like to respond to several of the speakers who have come forward with their perspectives.

"To the gentleman who stood up initially. Under the current bill, under the current Department of Education policy, we are not requiring parents to send their kids to kindergarten. We are merely saying kindergarten is mandatory.

"As a matter of fact, Madame Speaker, over 97% of those kids in our State that can enter kindergarten, actually do. So it is a de facto mandatory policy in any event. Parents have the right of choice. If they want to home-school their child from K through 12, they have the right to do so. The State will not, can not, force a parent to bring their child to kindergarten. I don't know where that perception comes from. The current system of allowing parents choice in home-schooling or allowing their child to enter public school will remain. All we are saying is that we want to have the same standard that many states and every private school in our State has and that is that your child must be chronologically five years of age when he or she enters kindergarten.

"I would like to refer to what the previous speaker from Kauai mentioned about the study. Now, we can stand up and argue all day about neurological, and child development, and brain development and all that, studies, and say that this is wrong and that is wrong. But overall, there is an overwhelming body of evidence to show that children who enter kindergarten before the age of 5, in general, there are always going to be exceptions, but in general, do not do as well.

"For example, Madame Speaker, I think it goes without saying that no child can walk at 6 months. And no child speaks in complete sentences at 1 year of age. There are certain brain development, and body and muscle development processes that all children must go through before they reach the ability to learn well. When it comes to early childhood education, the key years are actually ages 7 through 8. And that is precisely

the age that the Department tests children. In 3rd grade. Under "No Child Left Behind", all children across the nation will be tested and will be rated and graded against every other state. So when you have states that allow their children only to enter at age 5, and we allow our children to enter as early as 4 years and 6 months, we are put at a disadvantage when it comes to those testing mandates.

"The point about picking an arbitrary and capricious age, there is some logic to that, and I will agree to that. But in our society, we pick these arbitrary ages all the time. For example, you can get your driver's license at age 16. Who's to say that a person at 15 years, 11 months cannot drive? You can drink at age 21. Who's to say someone at 20 years and 9 months is not responsible to use alcohol? We pick these ages.

"At age 5, however, that is based upon, as the speaker from Kauai has said, on some studies. Is it true that some children who are 4 years and 11 months who can enter kindergarten? Absolutely. Absolutely. But we are talking about generalities. Unless we want to create 183,000 schools for each individual student in our system, this is what we have to go with.

"The whole point about early childhood, pre-K programs, I think is an apple and an orange. In other words, the entering age for kindergarten is an apple. Creating pre-K programs is an orange. They are two different things. They are both fruit, but nevertheless, the point is that should the Department of Education's core mission be to educate pre-K through 12? Right now it is K through 12. I know the Department has some apprehension about this, because their mission, they believe, is to educate K through 12, and if they end up having a pre-school, it would take away from their core mission. Unless, we as a Body here say, "Do not worry. We will fully fund a universal pre-K program," which will cost tens of millions of dollars.

"I would be totally in support of a universal pre-K program at the public school level, if we have that commitment to fund it adequately. I do not see that commitment this year. That is why if you read the bill, it takes effect in the year 2007. Any child today, will enter kindergarten under the current system. But it is a warning, an announcement to parents out there that in 2007 we are going to this system where your child must be 5 years of age before he or she can enter kindergarten. If the resources of the State, if the economy, if the political will is there between now and 2007 to create a universal pre-school program, I would be the first to support it. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I rise in opposition to this measure. My concern is that, as the former speaker, the Chair of the Education Committee mentioned, fully funding pre-K, it doesn't look like it is in the near future. Until it is, Madame Speaker, I really do agree with the Representative from Kailua that this measure is premature, and what it will do is hurt low-income families most because they are the ones that may not have the resources to pay for early education. And what we do, thereby in effectuating this date, is we increase the gap between have and have-nots. We increase the gap between the children who will be prepared and further their education and their opportunities. I don't want to see that gap increased. Thank you."

Representative Shimabukuro rose in support of the measure with reservations, and asked that the remarks of Representative Arakaki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"Madame Speaker, I rise in support of this measure. I would like to incorporate the comments of the Education Chair as my own," and the Chair "so ordered." (By reference only.)

Representative Saiki continued, stating:

"I would also like to throw out a couple of statistics just for edification. The first is that the SAT scores were taken of all students in Hawaii in all grades in 1994, 1995, 2000, and 2001, show that younger students, those who are born between July and December perform significantly lower than their older peers in both reading and math.

"The second statistic shows that students who were in the specific learning disability program in the Department of Education, 24% more students in that program were born during the later half of the year. It is for this reason that the Department of Education's test development section believes that if we make this change, SAT scores will increase dramatically in Hawaii. And it for that reason that I support this measure. Thank you."

Representative Pendleton rose to respond, stating:

"Thank you, Madame Speaker. Just a brief rebuttal. The gentleman from Pacific Palisades, our Chair of Education himself just recently conceded that there are children out there, who at 4 years 11 months, are perfectly able to be in kindergarten, but by the very terms of this measure that is being voted on, will now be permitted to be in kindergarten, if by that particular September date, they aren't old enough.

"Again, my point is that this bill limits discretion. It infringes on that area where parents can say, "You know what? There is a difference between Johnny and Susie, our two children. And we want to be able to exercise that. We won't be able to have that kind of flexibility. That kind of discretion.

"The gentleman who I just referred to conceded that. That these numbers are arbitrary. I guess you have to pick a date. But again, why do we want to prevent that student who is 4 years 11 months old, who would be perfectly capable of being in kindergarten, from being in kindergarten? Granted, that person may be in the minority. It may even be a small minority. But nevertheless, we would be denying that student from entering a program that he or she is perfectly capable of excelling in. And because of that, I oppose this measure. Thank you."

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

"Thank you, Madame Speaker. I am rising in support with reservations. I hope we can fix this thing as it moves along. We had a query from one of my colleagues as to where we are getting this idea of precluding home-schooling. It's because it says it in the bill, Madame Speaker. On page 2, line 18. It says, "Provided that attendance shall be mandatory." It took off the 'not' that is in the current law. So, that precludes private schooling and home-schooling. And it just builds up the number of students that are going to kindergarten and I can see more funding requests coming in the future. It is in there, in black and white. I hope it comes out.

"One of the other comments, and I'm not talking about whether some children are ready or not. I believe there are differences. But I believe in some states, they some kind of testing. I don't know what kind of test you can give to someone in kindergarten, but the teachers now grade them, so there must

be something they can evaluate. There might be a way to test them. It's not necessarily a formal written essay, but some kind of testing to see if this child is ready, or this child is not, and that can be done before they enter school. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I rise in support of this measure. First, I'd like to incorporate the words of the Education Chairman, as well as our Majority Leader as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Takai continued, stating:

"Thank you. You know, we've been discussing this issue for quite a long time. As a matter of fact, I think this issue first surfaced about six years ago. I did want to make comment about some of the concerns raised by the other side, as well as the rebuttal raised by the Representative from the Windward side.

"First of all, limiting discretion. It is true, we are going to limit discretion. There is no discretion right now. We cannot as parents, tell the Department of Education that we would like to test my child, who is born on January 1st, to go in to school, because we have a December 31st deadline. There is no discretion. It is very clear. There is a deadline. We need to be careful when we start talking about testing and discretion, because once you do that you will let the floodgates open and everybody's going to come through.

"In addition, we need to stay competitive. And the Chair of the Education Committee pointed out, rightly so, that this is in effect, a way for us to attempt to address some of the requirement of the "No Child Left Behind" Act. Because in fact, most states currently have, earlier start dates for kindergarten. And frankly, in a few years, all of the states, including Hawaii, must do the same. Because if we are going to stay competitive across the nation, and we are going to have a fighting chance to attain the standards required by the federal government, we are going to have to make this change.

"The other comment made by the Representative from Kapolei, talked about making kindergarten mandatory. And that it precludes us from, as parents, home-schooling or private schooling. That is not the case. As a matter of fact, currently, right now, a child can be home-schooled or can go to private school as fulfilling the educational requirements of the State.

"I think, if you take a look at this measure, and you understand the heart of this measure, we really need to embrace it and move forward, because truthfully, if we are going to make a dent, and again, be competitive with the states across the nation, we are going to have to do things like this. Thank you."

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

"Thank you Madame Speaker. I just want to rise with reservations and would like to have the remarks from the Representative from Newtown and Poipu as my own," and the Chair "so ordered." (By reference only.)

Representative Finnegan continued, stating:

"And I just do have concerns with what the Representative from Maunawili has to say. Thank you."

Representative Takumi rose to respond, stating:

"Thank you very much, Madame Speaker. Brief rebuttal. As my colleague sitting to the left of me indicated, we do have a cut-off date today, December 31st. If people had a concern with that over the decades that this policy has been in affect, I haven't heard of it. Because it is true, if a child is born on January 1st, he or she has to wait until the upcoming school year to enter school.

"As far as testing, I've asked about that in the educational community. There is no one test. I wish there were, frankly. But there is no one test that you can give a child who is 4 years 8 months, or 4 years 7 months, whatever the age might be, that will show that this child is ready. With all due respect to parents, as all of us are, sometimes we're not the best judge because very few of us are trained in child psychology and brain development studies, to know what is in the best interest of our child when it comes to the entering age for kindergarten.

"I know when I talk to the principals, they do tell the parents today, if you have a child that if 4 year 9 months, they tell that parent, "If you want to, you can have your child enter the following year, because the studies have shown that your child will do better," and so on and so forth. This is anecdotal, because the Department doesn't keep these kinds of statistics. But in my conversations with dozens of principals, very, very few parents take that option. Even parents who can afford another year of pre-school, because parents feel that their child will be held back if I leave him or her out for an additional year, despite the overwhelming empirical evidence that shows that late-born children entering school, as a general category, again exceptions are there, but as a general category, don't do as well. Thank you."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This measure will require a child to be 5 years old on or before September 1 of a school year in order to attend kindergarten.

"The most immediate effect of this change will be to ease kindergarten class size for an academic year. Smaller class size provides for better educational outcomes and produces a (temporary) cost-savings that can be applied to other educational programs, as well.

"Another effect will be to allow younger children to spend another year in early childhood education before entering kindergarten, with the result being that after an extra year their cognitive development will be better suited for them to absorb the kindergarten curricula.

"Third, with the increasing importance of education standards and testing, older children entering kindergarten will result in higher test scores. Testimony on this measure describes how older kindergarten students consistently score higher on standardized tests, and that younger children are more likely to be seen as lagging behind and given the ill-deserved (and expensive) label of learning disabled. With the No Child Left Behind Act failures at standardized tests will require expensive tutoring, remedial classes, and deprivation of federal funds.

"We do need, however, to provide for pre-kindergarten experiences and support for toddlers and children under 5. With early intervention children who need the extra attention

and nurturing will hopefully do a lot better when they reach school age.

"For these reasons, Speaker, I urge my colleagues to vote "aye" on this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 17, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 42 ayes to 9 noes, with Representatives Blundell, Ching, Fox, Kahikina, Leong, Pendleton, Sonson, Stonebraker and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1457) recommending that S.B. No. 1262, SD 1, HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1262, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1458) recommending that S.B. No. 1321, HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1321, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," passed Third Reading by a vote of 51.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1459) recommending that S.B. No. 1393, SD 2, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1393, SD 2, HD 1 pass Third Reading, seconded by Representative Lee.

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I rise in support of Standing Committee Report 1459, SB 1393, SD 2, HD1.

"Mr. Speaker, this measure splits the current Department of Public Safety into two new Departments:

1. The Department of Law Enforcement that will accept certain functions and authority from the Department of Public Safety; and
2. The Department of Corrections, including the Hawaii Paroling Authority and Crime Victim Compensation Commission for Administrative Purposes.

"Presently, the Department of Public Safety encompasses two distinct functions. The correctional division manages the prisons and inmates, and is responsible for the care, rehabilitation, and treatment of prisoners. The law enforcement and division provides security for public buildings, administers a statewide program of enforcement and investigation of controlled substances, and provides Sheriff's services such as service of warrants. The Department of Public Safety must set its priorities and allocate its resources between these two disparate and sometimes competing functions.

"Mr. Speaker, in recent years, the demand for law enforcement services has dramatically increased. As police resources are stretched, sheriffs are expected to respond to incidents occurring at state buildings.

"Mr. Speaker, in the event of a statewide emergency, the various county police departments may not have the resources to cover State buildings, placing both State buildings and employees at risk to harm, unless another law enforcement source is readily available.

"Mr. Speaker, I urge all of my colleagues to vote in favor of this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1393, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EXECUTIVE DEPARTMENTS OF STATE GOVERNMENT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1460) recommending that S.B. No. 1055, SD 1, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1055, SD 1, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker, I would just like to rise with some very serious reservations on Standing Committee Report 1460. I believe the bill has very good intentions, but there are some very serious loopholes that we really need to address. Thank you."

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

"Thank you, Madame Speaker. On the same measure, I rise in support with reservations. I don't believe that this thing can be done as cheaply as some of the testimony said. I've talked to experts in the data processing field and it's going to take many, many ... Well, let's say tens of millions of dollars to get this thing going. Also, we're asking Honolulu to do it for the State. I don't quite understand that. I don't know if we do that in other cases. I just think that it's going to be a lot of money for Honolulu. Maybe that's why we're trying to give them taxing authority. Thank you."

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

"Madame Speaker, I rise in opposition to this measure. Madame Speaker, if someone is not buying auto insurance now, they won't be rushing to the insurance offices if this bill passes. They will continue 'rolling the dice' and hopefully won't get caught by the police. To get uninsured motorists off the road, and to lower premiums, we need to: one, impound their cars; and two, take away the outlaw's right to sue.

"The cost of setting up this database is anywhere from \$3 million to \$10 million, and that's just the beginning. Next comes the operational costs. The most ominous aspect of this bill will allow the contractor to grab an undisclosed percentage of the fines issued. That sure sounds like 'Van Cam Round 2' to me. Do we really want to revisit and go down that road? It's not clear as to the benefits of this project, but one thing is clear. The costs will be borne by the City, the insurance companies, and law-abiding drivers. Thank you, Madame Speaker."

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

"Yes, Madame Speaker. Thank you very much. I wish to speak with some strong reservations. I believe this bill, however well-intended, has some unintended consequences which most probably will raise the cost of insurance. And I think our role is to counter that as much as possible. Thank you very much."

Representative Bukoski rose in support of the measure with reservations, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bukoski's written remarks are as follows:

"In support with some reservations to SB 1055, SD 1, HD 1. This bill intends to mandate all insurers in the State of Hawaii to participate in a Motor Vehicle Database Project that proposes to give traffic enforcement officers "real time" information regarding vehicles being driven without current no-fault insurance. I support the intent of the bill to remove uninsured motorists from the road.

"However, there is some language in the bill, specifically Section 2 (3) (d) where it states, "An insurer shall transmit the vehicle identification number of an insured vehicle, of vehicles for which the insurance policy has lapsed or been terminated or cancelled, and any other information deemed necessary by the city and county of Honolulu, ..."

"My reservations are with the lax language that may allow for abuse of, and invasion of, privacy with regards to the information being requested or that may be, requested by the City and County of Honolulu. In discussions with the proponents of this bill, it was noted that the only information that is required to make the program work, is the VIN number of the vehicle(s) with terminated and/or expired insurance policies. I understand that this lax language was requested by HPD to allow them to request additional information that is not needed for this program. Why would HPD request or even need such information? This language should be tightened and made more specific to the needs to satisfy the project while respecting and maintaining the integrity and privacy of individual's rights to personal information. Thank you, Mr. Speaker."

Representative Meyer rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"Madame Speaker, I'm rising in support of SB 1055, HD 1, but with some reservations. While I realize we have a problem with uninsured motorists, I'm not sure that the database called for in this bill will really mitigate the problem. Other jurisdictions that have developed such databases found that the cost overruns were very high. One of my biggest concerns is that insurance premiums might just go up to cover the costs to develop and maintain the system.

"Another problem that states have experienced is data errors, where one incorrect letter or number of the serial number of the vehicle can cause an insured driver to be identified as uninsured and then fined.

"These are some of my concerns, Madame Speaker. Thank you."

Representative Kahikina rose in support of the measure with reservations, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"This bill will help to assure that those who do not have insurance to be registered with HPD to take action and keep them accountable."

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

"Madame Speaker, I rise in support and want to insert comments in favor, and in addition, briefly Madame Speaker. The measure is designed to address the serious problem of uninsured motorists. According to State estimates, there are approximately 30% or 300,000 automobiles on the road without automobile insurance. And who pays for this problem, Madame Speaker? It's us, law-abiding drivers who have to pay higher basic insurance premiums. And in addition, most of us elect to pay for optional 'uninsured motorist' coverage, because there's a good chance that we will be involved in an accident with an uninsured motorist.

"Members, this bill was supported by the police, the City and County of Honolulu, and others. And Madame Speaker, uninsured motorists, they cheat all of us, and really, that's unfair. Thank you."

Representative Hiraki's written remarks are as follows:

"Mr. Speaker, I rise to speak in support of S.B. No. 1055, H.D. 1 -- Relating to Motor Vehicle Insurance.

"The purpose of this bill is to increase participation in the State's no-fault insurance system, and to enhance the fairness of the system for all of Hawaii's motorists by more equitably distributing insurance costs among all drivers.

"This bill establishes a statewide motor vehicle insurance database to be maintained by the City and County of Honolulu to receive insurance information from Hawaii's insurance carriers. The database will allow county law enforcement officers and the Judiciary to immediately and accurately determine whether a driver has motor vehicle insurance in compliance with State law. The bill also appropriates funds for development and maintenance of the database.

"Mr. Speaker and colleagues, accurate and timely identification of uninsured motorists is the first, essential step toward improved enforcement of the State's no-fault law. Our law enforcement officers are experiencing ongoing problems with the current, out-dated, card-based system for identifying insured motorists. The system is susceptible to fraud and counterfeiting, and allows drivers to present an invalid card to law enforcement officers to avoid being cited at a traffic stop, or at the scene of an accident.

"The establishment of a motor vehicle insurance database was recommended by the 2000 Motor Vehicle Insurance Benefits Task Force, formed to develop solutions to the problem of uninsured motorists in Hawaii. In addition, bills have been introduced in the past to create this database, but were unsuccessful largely because of cost concerns.

"The recent expansion of insurer marketing efforts into the Internet, however, has brought the cost of this database within reach. All of Hawaii's major insurers, serving 95 percent of Hawaii's insured motorists, have already established and maintain websites with capabilities far exceeding those necessary to provide the information required under this bill.

For other Hawaii insurers, costs are estimated to be \$1.85 per policy per year, over five years. In contrast, the current cost of uninsured motorist coverage is about \$4 per month.

"Mr. Speaker and colleagues, a central insurance database system is not a new idea. Thirteen states now require insurers to report motor vehicle insurance information electronically. Over 600 insurance companies nationwide, including many of the companies that serve Hawaii, already report to one or more state-mandated databases. There are reports that states implementing a central database system have experienced significant reductions in the number of uninsured motorists, and in uninsured motorist claims.

"With the implementation of the motor vehicle insurance database proposed by S.B. No. 1055, H.D. 1, Hawaii should also expect to see reductions in the numbers of uninsured motorists, as well as in the cost of uninsured motorist coverage. In addition, future legislative policy regarding existing insurance penalties and no-fault assistance programs will be improved by the accurate and timely information that the database will provide.

"For these reasons I support the establishment of the database as provided in this bill, which will allow us to take the first, essential step toward improved enforcement of the State's no-fault law.

"Mr. Speaker and colleagues, please join me in supporting passage of S.B. No. 1055, H.D. 1, at Third Reading. Thank you."

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

"Madame Speaker, I rise in support of this measure. As we hear, there are too many uninsured vehicle drivers, and it is something that we need to be careful about. Two of my children have had very bad accidents and the other people didn't have any insurance. This way, maybe we can cut down the rates a bit. So I am really in support of it and I'd like to enter more comments in the Journal. Thank you," and the Chair "so ordered."

Representative Leong's written remarks are as follows:

"I stand in support of this bill, the purpose of which is to identify uninsured drivers and thereby enforce the State's motor vehicle insurance laws. When this process is accomplished, it could eliminate the number of uninsured drivers in Hawaii.

"Several of my friends have been involved in accidents and the responsible drivers for the collisions were without insurance. My two daughters also were faced with this dilemma. Although we carry insurance, those that caused the accident were without insurance and were allowed to proceed without being responsible for any damages!

"This is important enough of an issue to move forward."

Representative Magaoay rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Mindo rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1055, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Third Reading by

a vote of 46 ayes to 5 noes, with Representatives Ito, Nishimoto, Sonson, Wakai and Waters voting no.

The Chair directed the Clerk to note that S.B. Nos. 1077, SD 1, HD 1; 1281, SD 1, HD 1; 426, SD 1, HD 1; 1446, SD 2, HD 1; 17, SD 1, HD 1; 1262, SD 1, HD 1; 1321, HD 2; 1393, SD 2, HD 1; 1055, SD 1, HD 1; passed Third Reading at 10:54 o'clock a.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1461) recommending that S.B. No. 1034, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1034, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

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

Representative Abinsay's written remarks are as follows:

"Mr. Speaker, I rise in support of Standing Committee Report No. 1461, Senate Bill No. 1034, SD 1, HD2.

"The purpose of this bill is to allow the transfer and management of agricultural lands from the Department of Land and Natural Resources to the Department of Agriculture. This measure will allow the transfer through Executive Order with approval of both the Board of Land and Natural Resources and Board of Agriculture.

"Mr. Speaker, this bill was heard jointly by your Committees on Agriculture and Water, Land Use, and Hawaiian Affairs. There were a couple of areas of concerns brought up during the hearing. Because the bill originally would have created a special fund into which revenues from the lands being transferred will be deposited, the potential loss of revenues in the general fund then became a concern. Your joint Committees addressed this concern by removing the provision in the bill to create the special fund.

"Another concern is the potential use of agricultural lands being transferred for golf courses. Ka Lahui raised this concern, I believe. Both the Departments of Agriculture and Land and Natural Resources have given their assurances that this is not going to happen. However, this does not prohibit golf courses from being built on marginal or non-prime agricultural lands as deemed appropriate and allowed under county zoning ordinances.

"I believe that agricultural leases should be under the Department of Agriculture. This bill, if we passed it, will give a sure signal to the agricultural community who for years has been working toward this direction. And that we, as policy makers, support their efforts. This bill would help fulfill this purpose and that is to encourage and promote Hawaii's agricultural industry, and also to ensure that agricultural lands are preserved for agricultural use. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1034, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1462) recommending

that S.B. No. 1432, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1432, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Kawakami rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I rise in strong support of SB 1432, SD 2, HD 2, Relating to Diversified Agriculture.

"Kauai is an island that is attempting to diversify our economic base by utilizing the acres of land left vacant with the closure of the sugar plantations. This bill will help us to do both things by appropriating funds to refurbish the Kauai Tropical Fruit Disinfestation plant.

"Kauai is also the only island that is not affected by the Papaya Ring Spot Virus, and therefore, we could market papayas to the West Coast, Mid-West and Japan, if the Disinfestation plant were up and running.

"For one of my constituents who now grows 12 acres of papayas and intends to add another 10 more acres of papayas – for local consumption only – the Disinfestation facility would allow him to triple the acreage of papayas he can grow and market, as he could then ship to the mainland and Japan.

"Kauai needs to have a way to encourage diversified agriculture, and this bill will assist our island to do this.

"I ask my colleagues to join me in supporting SB 1432, SD 2, HD 2. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1432, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DIVERSIFIED AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1463) recommending that S.B. No. 1661, SD 2, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1661, SD 2, HD 1 pass Third Reading, seconded by Representative Lee.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"The purpose of this measure is complete the development of Kapolei and to address the traffic conditions according to the community's collective plans. Now with the low interest rates and the market sales of homes high, it is time to build more affordable homes for our citizens to buy homes."

Representative Moses rose to disclose a potential conflict of interest, stating:

"On 1463, that's in my district so I just want to declare a potential conflict," and the Chair ruled, "no conflict."

Representative Moses continued in support of the measure with reservations, stating:

"Thank you. It does need to get done. The is the Kapolei development and it is by a State agency, the HCDCH. It does need to get done. I am speaking in favor, but I guess I should say with some reservations. And my reservations are these. It's going to cost money. And we have a delayed effective date in the measure now. The residents want it done. It costs money to get it done. There's our conflict. Thank you, Madame Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1661, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1464) recommending that S.B. No. 1700, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1700, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, I rise to speak with enthusiastic support for SB 1700 that, among other things, improves the funding methodology for charter schools and appropriates funds for their operation.

"I believe strongly in the charter school concept. The number of charter schools in the nation has increased every year since the first charter school opened in 1992 to nearly 2,700 today. Hawaii passed its charter school bill in 1994 and we only have 25 operating today. This is mainly because the charter school movement hasn't been shown the support that it is receiving elsewhere.

"Our Charter School law is ranked one of the weakest in the nation yet, we still received \$4.3 million from the federal government this year even though our law limits the number of charter schools we can have. The new No Child Left Behind law encourages the establishment of charter schools, and will support those jurisdictions who demonstrate success with charter schools in the establishment and operation of charter schools.

"We need to support the charter school movement because it gives choices for parents, students and teachers. The schools can be and are innovative in many ways. Recent test scores have shown they can produce results from students from every ethnic and socio-economic background. We have heard a great deal of positive testimony about our existing charter schools especially from parents and students. More people provided testimony for this bill, both written or in person, than on any other measure we heard. The education of Hawaii's children must be our paramount concern. We should all vote "yes" on this measure. Thank you, Mr. Speaker."

Representative Finnegan rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"Madame Speaker, I rise in support of H.S.C.R. 1464, S.B. 1700, S.D. 1, H.D. 2, which creates a separate funding category for New Century Charter Schools and appropriates money for them. This bill is an important step toward the equitable funding and treatment of charter schools, and I gladly support it for that reason. However, it is not yet a complete step toward the equitable funding and treatment of charter schools.

"Charter schools need and deserve equal funding, Madame Speaker. That they need it has been made very clear by the testimony of Voyager Charter School before the Education Committee, explaining how they will have to close their doors prior to the end of the school year because of a lack of adequate funding. That they deserve it is a matter of elementary common sense and fairness – these schools are public schools, the students they teach are public students. I expect charter schools will be successes within our public school system. Although it is early in the game, there is evidence that a good number of charter schools are fairing well despite the challenges that we as a legislature give them to deal with.

"The unequal funding they presently receive sends a bad message, Madame Speaker. It tells charter schools that they are not as important as other public schools, and it tells their students that they are not as important as other public school students. This is not a message this Body or this Legislature should be sending. SB 1700 is a step in the right direction, but it is only a step. We need to go the whole way toward equal funding for charter schools.

"Thank you, Madame Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1700, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1465) recommending that S.B. No. 1241, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1241, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CANCER EXAMINATIONS," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1466) recommending that S.B. No. 1505, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1505, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1467) recommending that S.B. No. 1519, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1519, SD 1, HD 2, entitled: "A

BILL FOR AN ACT RELATING TO COMMUNITY HEALTH CENTERS," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1468) recommending that S.B. No. 945, SD 1, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 945, SD 1, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I rise in support with some reservations. SB 945, HD 1, is a proposal to allocate a percentage of the Tobacco Settlement Special Fund, and appropriate other monies to be used for non-school hour programs for children and youth. Specifically, they are targeting 6th through 8th grade. I realize we do have a problem, and a lot of young people get into trouble after school in this age group. But this bill would take money away from the Emergency Fund that goes in there now.

"The bill has some blank percentages in it, but right now, 24.5% of the tobacco money are appropriated into the Emergency and Budget Reserve Fund that we fondly call the 'Rainy Day Fund'. That has been crossed out, which shows that the aim of this bill is to reduce that allocation and add a new group. One group would be the Department of Human Services Office of Youth Services that would get part of that money. Also the Department of Education. And the third would be an appropriation to the counties, the Department of Parks.

"I'm concerned that if we keep taking money away from the Tobacco Fund that should go to the 'Rainy Day Fund', that Fund will just surely get smaller and smaller.

"My other concern is that we are looking at starting a new program when we are under very heavy financial constraints. We are looking at over \$100 million that we are scrambling to find to balance the budget this year. So, while I think this is a very worthy cause, I don't think this is the time we should start a program of this magnitude. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. In support with reservations. I would like the words of the previous speaker incorporated as if my own," and the Chair "so ordered." (By reference only.)

Representative Moses continued, stating:

"And I'd like to add that we have some school complexes where we have middle schools now instead of intermediate. I'm just wondering why we are limiting it to just 6 to 8 year-olds. And why we use those ages. Because in some complexes, the 6 year-olds are in middle school, and in others, they are still in elementary school. So, are we looking at the communities that they belong to? Or just their strict age? Thank you, Madame Speaker."

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

"I'm rising in support with some reservations. The changing of the percentage from the 24.5% to an undisclosed or undecided amount is the area of main concern for me, as well

as the fact that we are just targeting a narrow group of children, 6th to 8th graders.

"I would applaud the Chair of the Health Committee for the measure that he took on, the previous measure, Standing Committee Report 1467. Rather than tinkering with the percentage of funds coming from the Tobacco Settlement, he made a one-time emergency appropriation, considering that this was, indeed, an emergency, for the previous measure that I am referring to. So rather than changing and tinkering with the percentage which I have a problem with, for a very narrow group. I think that if there is a problem, indeed, if it's an emergency, then we should do that. We should fund it out of the general fund, if it's that important. Perhaps that is the way to go. But my reservations lie in the tinkering of the percentage, as well as the narrow target of 6th to 8th graders. Thank you."

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

"In strong support. And I applaud the Chair of Health for his movement. Madame Speaker, I appreciate the discussion here on the floor because we are addressing the systemic problem that we all know. I believe that the previous speaker is correct in that we should be using the general fund. But the truth of the matter is that we don't have enough money in the general fund. Madame Speaker, all studies show that children get into trouble between 2:00, after school, until 8:00 p.m. In fact, in our district, it is the middle school student that get into trouble. In fact, we loose our kids in the intermediate grades for some reason, for some unknown reason.

"But if you don't know, our families are in jeopardy. They are at risk right now. We know that a lot of our children are taken away from our families, especially in the middle school, through the Department of Child Protective Services. Again, if we had enough money in the general fund, perhaps we could fund all the services that we need for society. So this is a compassionate view. This is a bill that addresses the very vulnerable people in our community, which is our children. And I hope that this Body will support it. Thank you."

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

"Thank you, Madame Speaker. I rise with reservations. Thank you. I just have some concerns about how this might affect our bond rating. I also want to state that programs such as these will only be successful if the kids attend them. And before we give a dedicated source of funding to these programs, we need to know what sort of programs our youth will be interested in, and what the community will support. Because we do need the community support to make them successful.

"Under this bill, money can be used for new and existing programs, which is good. We should take the time to learn how effective our existing programs are, and if there is in fact, any need for new programs. And the language is pretty broad in regards to money, and how it is spent. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 945, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN AND YOUTH," passed Third Reading by a vote of 50 ayes, with Representative Jernigan being excused.

The Chair directed the Clerk to note that S.B. Nos. 1034, SD 1, HD 2; 1432, SD 2, HD 2; 1661, SD 2, HD 1; 1700, SD 1, HD 2; 1241, HD 2; 1505, SD 1, HD 2; 1519, SD 1, HD 2; 945, SD 1, HD 1; passed Third Reading at 11:05 o'clock a.m.



Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1469) recommending that S.B. No. 1675, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1675, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1470) recommending that S.B. No. 658, SD 1, HD 2, as amended in HD 3, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 658, SD 1, HD 3 pass Third Reading, seconded by Representative Lee.

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

"Thank you. On 1470, as a member of Star of the Sea and Holy Trinity, I stand in great opposition and I'd like to insert my comments in the Journal," and the Chair "so ordered."

Representative Leong's written remarks are as follows:

"This bill mandates that all hospitals that provide emergency care to sexual assault survivors should offer information about emergency contraception and offer and administer emergency contraception upon the sexual assault survivor's request. The mandate applies to both non-religious and religious hospitals.

"As a practicing Catholic, I am disturbed by a bill that will require some medical workers to unwillingly participate in what they believe to be the practice of abortion, something that goes against their religious beliefs. I fear that the State is setting itself up for lawsuits like the one in California where a nurse filed a lawsuit against her former employer who fired her after she refused to dispense the "morning-after" [abortion] pill.

"I am also very concerned that, by default, this bill is violating the constitutionally guaranteed rights of healthcare workers and institutions to practice their religious faith.

"Mr. Speaker, I cannot in good conscience vote in support of this bill. For that reason, I am opposed to the passage of SB 658, SD 1, HD 3."

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

"Thank you, Madame Speaker. On this measure, I stand in support with strong reservations. This is the same bill that was passed out by the House to the Senate. I ask permission to submit written comments on this measure," and the Chair "so ordered."

Representative Magaoay's written remarks are as follows:

"I rise in support with strong reservations base on the testimony of St. Francis Healthcare System of Hawaii, which does not provide birth control or abortion services. This bill, if passed, would force St. Francis to operate counter to its religious beliefs.

"St. Francis proposed the bill be amended to provide for an exemption from the law for religious hospitals, as defined:

Section 321 Definitions. As used in this part, unless the context otherwise requires:

"Religious hospital" means a hospital that meets the following criteria:

(1) The hospital policies and services are based on religious beliefs and are set down in moral and ethical directives consistent with those beliefs.

(2) The hospital is exempt from taxation pursuant to Sec. 501(c)(3) of the Internal Revenue Code of 1986, as amended.

"St. Francis believes also that the bill does not adequately address issues of liability, additional costs to participating emergency service centers and adequate reimbursements. Liability issues include the possibility of birth defects in those instances when the "emergency contraception" is administered to a patient with undiagnosed pre-existing pregnancy at the time of sexual assault. Pregnancy testing must precede discussion of emergency contraception.

"And, obviously, there would be additional costs incurred by participating emergency rooms for necessary pregnancy tests and for required professional education for staff. There has been no reference to payment for services rendered.

"Also, in the Finance Committee hearing, when we heard this bill; a question was ask to Plan Parenthood, the proponent of this bill, if they could accept the amendments as indicated by St. Francis Healthcare System. Plan Parenthood response to the question was, yes with the amendment as suggested by St. Francis Healthcare System of Hawaii.

"Therefore, Mr. Speaker, I stand in support with strong reservation as stated above.

"Thank you, Mr. Speaker and colleagues."

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

"Thank you, Madame Speaker. I rise in opposition. I support the intent of the bill, but I can't support it fully without the 'conscience clause'. Thank you."

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

"I would like to express strong reservations on this measure."

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

"Yes, Madame Speaker. Thank you very much. I wish to speak on this bill with strong reservations. I wish to advise that in the event that there is no change as to the 'conscience clause', I will vote no when it come up for Final Reading. Thank you very much."

Representative Abinsay rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"Thank you, Madame Speaker. I stand in support with strong reservation and the words of the Speaker Emeritus entered in

the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Sonson continued, stating:

"Briefly, Madame Speaker. The SD1 was actually a lot better for the actual victims we are trying to protect, because of these reasons. I see how it would work this way. If the 'conscience clause' is taken out, obviously, when it comes to victims being admitted, or being driven to these religious hospitals, and they refuse to give the services required by this bill, what happens is that the victim that we are trying to protect will not receive the information that is required by the 'conscience clause'.

"The 'conscience clause' requires that hospitals who are exempt, have to provide information to the victim. The information necessary to obtain the necessary information to obtain the medical help they need quickly, in this particular case. These EC pills. They can obtain these in other institutions, other medical facilities, or other clinics. The exemption clause is combined with this responsibility of these religious hospitals to give them this information.

"Now the way the bill is written, that responsibility does not exist. The only thing there is that you do it, or else we take your license away. Of course they are not going to do it. And I think they have a legal right to refuse to do so. Are we really helping those victims that we are trying to help with this particular legislation? I think not."

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

"Thank you, Madame Speaker. I rise with grave reservations, and I would like to have the words of the Representatives of Maui and Waipahu be entered in the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Kahikina continued, stating:

"And also, if the 'conscience clause' is not added back in, I will probably vote down on Final Reading."

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

"Thank you, Madame Speaker. I rise in opposition. Basically, we're talking about, with the 'conscience clause', we're talking about a hospital that is willing to give out information that the religious hospital is not willing to dispense, that EC pill. And there is precedence. In California, there is a judge and a jury, that found that a nurse's constitutional rights were violated.

"Basically, St. Francis will take us to court if this passes without the 'conscience clause'. This is just bad public policy. There are other things in regards to this, and that is the inflexibility of enforcement. The Department of Health is given no discretion in the punishment used in enforcing these acts. If it is determined that that the hospital is not in compliance, the Department shall impose an administrative fine of \$5,000 per sexual assault survivor who is not provided with the information or offered the emergency contraceptive, and suspend or revoke the operating license of the facility after two violations. Thus if the religious hospital twice refuses to offer emergency contraception, it can be shut down for the remaining time.

"We have 'bells and whistles' going off warning us, and we choose to ignore that. There is also liability of the State if we implement some thing like this. And there is also a part in here

where it talks about the definition of a sexual assault survivor. There are potential problems with the second identifying clause of this definition. A female who is alleged to have been sexually assaulted. It is unclear who is expected to identify a sexual assault victim, if she does not identify herself. The police, a friend, or a relative. The concern is that hospital staff would be expected to identify her as a sexual assault survivor and then provide her with information and EC specified in the law. If they fail to do so, they could unintentionally violate the law and be subject to punishment. I just think that we should really take a look at this before we pass something like this. Thank you."

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

"With strong reservations please."

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

"In opposition. Being from a Neighbor Island in a community that has one hospital, and the other hospital is approximately 45 miles away, these penalties are way over the top. After two violations, to suspend or revoke the license, thus locking the doors of the medical facility, is totally unacceptable. For these reasons, I am not voting for it. Thank you."

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

"Madame Speaker, I'd like to speak in favor of the bill. I was going to insert the comments in the Journal, but I think in many ways that this needs to be said, so I am going to take the time to say it.

"According to doctors Felicia Stewart and James Russell writing in the *2000 American Journal Preventive Medicine* issue 19, pregnancy following rape is a continuing and significant public health issue. They estimate that 333,000 sexual assaults and rapes were reported in 1998 with many more not reported. These rapes were responsible for 25,000 pregnancies, potentially as many as 22,000. Such pregnancies could be prevented if all women who were raped received prompt medical services and if not already protected against pregnancy, were provided with emergency contraceptive treatment.

"Emergency contraceptive options to prevent pregnancy after intercourse have been available in the United States for more than 25 years and as of 1999, two products, Preven and Plan B are used specifically for this purpose. If a dedicated product is not immediately available, clinicians have the option of providing oral contraceptive pills for an unlabeled indication that has been approved by the FDA. Emergency contraceptive treatment should be initiated within 72 hours after unprotected sex, and is most effective in the first 12 hours. That is really a very important fact.

"Like all regular hormonal contraceptives like birth control pills, implants, patches, and injectables, ECPS prevent pregnancy by delaying or inhibiting ovulation, inhibiting fertilization, or inhibiting implantation. Almost all women can safely use ECPS. The only contraindication actually is pregnancy, because ECs will not work if a woman is pregnant. Remember this information comes from a well-known medical journal.

"Based on information received in the 1992 National Women's Study, only 24% of women receive medical care after rape, and only 17% were seen in the first week, after being

raped. Among women who did not receive medical care, only half recalled counseling about the possibility of pregnancy resulting from the rape. Women who received care in Catholic hospitals are especially unlikely to receive information about or medications for emergency contraception. If women were better informed about the significant risks, and the health recommendations for prophylactic treatment for sexually transmitted infection, perhaps more women would seek medical care. We do a service by putting this bill before the community for discussion.

"At a minimum, public health efforts to increase the awareness of sexual assault and gender violence should include information about the significant risk of pregnancy and prophylactics for sexually transmitted infection as well as emergency contraception. It is surely time for investment in professional and community education about emergency contraception for health care clinicians, law enforcement personnel, and others purporting to provide services to women related to gender violence.

"Madame Speaker, in regards to the religious exemption-churches, temples, mosques, seminaries, and other pervasively sectarian institutions engaged in religious practices should generally be free of laws repugnant to their beliefs.

"For example: A Christian Science sanatorium; this would be staffed by Christian Science healers and attend to those seeking to be healed exclusively by prayer.

"However, when religious affiliated organizations move into secular pursuits such as providing medical care, social services or running a business which caters to the public, they should not be insulated from secular laws. In the public world, they should play by the public rules.

"The vast majority of health care institutions, including those with religious affiliations, serve the general public."

Representative Say rose to yield his time, and the Chair "so ordered."

Representative Lee continued, stating:

"Thank you. The vast majority of health care institutions, including those with religious affiliations, serve the general public. They employ a diverse workforce, and they depend on government funding. A recent study in California found that Medicare and Medicaid accounted for 46% of the total revenues of religiously affiliated hospitals, while donations from members constituted .0015% of total revenues. No religious hospitals operating in Hawaii refuse public money.

"It seems logical that such institutions ought to abide by the same standards of care and reproductive health mandates that apply to other health care institutions being supported by public funds.

"But let's get back to the bill. This measure is really about victim's rights. The whole purpose is to ensure that every rape victim/survivor in Hawaii emergency rooms would receive the standard of care recommended for a sexual assault victim. And that means offering emergency contraception on site. Madame Speaker, I was appalled to hear testimony in one hearing that maybe a woman might pretend to be raped, come in to the emergency room, get the pills and then sell them to her friends. I was appalled to hear that. Rape is one of the ultimate crimes of violence against women. It can cause long term physical ..."

Representative Fox rose to a point of order, stating:

"Point of order, Madame Speaker. The speaker is referring to hearsay testimony in a Committee. It is not embodied in the Committee Report. It is out of order."

Representative Lee continued, stating:

"Okay, I'll move on. Rape is one of the ultimate crimes of violence against women. It can cause long-term physical and psychological damage which would only be compounded by an unwanted pregnancy.

"Merely being told of the existence of EC does not guarantee that a rape survivor will find a way to obtain the drug. Even with a referral, she may not be able to get a prescription from an alternate provider or to fill it at a pharmacy before time runs out. Refusal means an excruciating dilemma for a victim, and that is unacceptable to me. It should also be unacceptable to you. I urge the Members to support this bill."

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

"In opposition, Madame Speaker. I am Protestant. I have no problem with people being offered the option of having an abortion pill shortly after they are victims of rape. I have a great problem in this land of tolerance, the State of Hawaii, with a bill that aims specifically at practitioners of certain religions and tells them how they must conduct their religion. We should have room in this community for the understanding that people operate hospitals out of deep religious beliefs, about caring for others. They carry those religious beliefs into the emergency rooms. We should have tolerance of that. We shouldn't be trying to shove something down their throats. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. Very briefly in support. First, I'd like to incorporate the words of the Majority Floor Leader as though they were my own," and the Chair "so ordered." (By reference only.)

Representative Schatz continued, stating:

"Secondly, just in brief response to the Minority Leader. I think that it sounds appropriate to talk about tolerance, but it's not just about allowing somebody to express their personal religious beliefs. To reiterate what the Majority Floor Leader said, once you use public dollars, and once you're the only hospital in the neighborhood, you have a responsibility to all members of the public and not just to your own personal religious beliefs. You take half the money from the government and you serve the general public, and it is not about your personal opinion anymore. It is about serving as a hospital for the public."

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

"Thank you, Madame Speaker. I stand in support of this measure. First of all, for the edification of the Members, emergency contraceptive is not RU-486. Emergency contraceptive is a high dose of birth control pills. So the abortion pill and EC is not the same things.

"Secondly, at the heart of this matters are the ethical underpinnings of health care delivery, which is the patient's right to self decision. The principles of medical ethics of the American Medical Association states, "This right to self-decision can be effectively exercised only if the patient possesses enough information to enable an intelligent choice."

It goes on to say, "The physician has the ethical obligation to help the patient make choices from among the therapeutical alternatives consistent with good medical practice."

"Again in 1982, the President's Commission for the Study of Ethical Problems in Medicine and Bio-Medical and Behavioral Research found, "Since the judgment about which choice will best serve well being properly belongs to the patient, a physician is obligated to mention all alternative treatments including those he or she does not provide or favor, so long as they are supported by respectable medical opinion." We need to preserve and support the patients right to self decision, which is in this bill. Thank you."

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

"Thank you, Madame Speaker. I am rising in strong support. Madame Speaker, I would like to ask that the words of the Representative from Mililani, the Majority Floor Leader be entered in the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Thielen continued, stating:

"And Madame Speaker, it is very important for Members to realize that this is a high dose of contraceptive. It is not an abortion pill. I am sorry that some Members are not quite understanding the distinction. Thank you."

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

"Madame Speaker, I rise in support. The Kapiolani Women and Children's Hospital, for about 20 years has been providing EC therapies, without any problems, without any complaints, without any issues being raised.

"Finally Madame Speaker, I'd like to reiterate that if you are a hospital serving the public, all of the public, and you are a sexual assault victim and you go to that hospital, you are taken to that hospital by an ambulance, you have a right to receive the EC therapies, just as you would at any other hospital you go to. Thank you."

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

"Madame Speaker I rise in strong support of this measure. I'd like to ask that the words of the Majority Floor leader be incorporated as my own. I'd also like to insert written comments in support of this measure," and the Chair "so ordered." (By reference only.)

Representative Saiki continued, stating:

"And the gist of that those comments would be to the effect that while some Members believe that we should be tolerant of hospital policies and practices, I believe that we should be more tolerant and compassionate for rape victims. And it is for that reason that I support this measure. Thank you."

Representative Saiki's written remarks are as follows:

"I rise in support of S.B. No. 658, for the following reasons articulated by the Center for Policy Alternatives:

"Nearly 9 in 10 women of reproductive age have either not heard of or do not know key facts about emergency contraception.

"Most women do not even realize that post-coital options to prevent pregnancy are available. The need for this information is especially acute for survivors of sexual assault.

"Most medical professionals and facilities underutilized emergency contraception, rarely recommending it to women who have been sexually assaulted.

"Despite its safety and efficacy, recent studies have found that many hospitals do not provide information about or access to emergency contraception, even to women requesting it. In a recent investigation, 82 percent of Catholic hospitals did not provide emergency contraception – even to women who were sexually assaulted – despite the fact that the church does not prohibit it.

"Professional medical standards mandate providing emergency contraception to sexual assault survivors.

"American Medical Association standards of emergency care require that rape survivors be counseled about the risk of pregnancy and offered emergency contraception. In fact, a California court ruled that a hospital could be held liable for failing to give a sexual assault victim information about, and access to, emergency contraception.

"Thank you."

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

"Thank you. I rise in support. The patients of the hospital are from the general public and the State has an interest in its people, which is the general public. The option must be laid out before them it is in the best interest of the State to protect its people in making all choices available. Thank you."

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

"Thank you, Madame Speaker. I am still in opposition. I just wanted to say if this is the direction that we are going, despite the fact that there is precedence in this being unconstitutional. Then we shouldn't be surprised when St. Francis and St. Francis West decide to not provide any emergency services, which means closing down their emergency rooms. Because in essence that is the direction that we are going in when supporting this bill. Thank you."

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

"Thank you, Madame Speaker. I rise in opposition to this measure. The good Floor Lady from the Majority side made the point that if you are going to deal with the public, you must follow the public rules. I think we in this Chamber are the policy-makers and from the debate that we are having today, it seems very clear that there is no great majority that agrees on this issue.

"The religious hospitals play a very key role in our communities and from some of the comments that have been made here, it seems that if they receive any public money they are asked to 'sell their souls'. Forget what you believe in. Forget what your moral standards are. You must do as we say. I would hope that as this bill goes through the process, that the Conferees will have the good sense to put the exemption in and replace the 'conscience clause', which is all that most of the people that are opposing this bill are asking for. Thank you, Madame Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 658, SD 1, HD 3, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY CONTRACEPTIVES FOR SEX ASSAULT SURVIVORS IN EMERGENCY ROOMS," passed Third Reading by a vote of 39 ayes to 12 noes, with Representatives Blundell, Finnegan, Fox, Halford, Jernigan, Leong, Meyer, Moses, Ontai, Pendleton, Stonebraker and Tamayo voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1471) recommending that S.B. No. 1373, SD 1, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1373, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STAFFING FOR FEDERALLY FUNDED PROGRAMS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1472) recommending that S.B. No. 1403, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPARTMENT OF TRANSPORTATION'S MARITIME-RELATED USES," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1473) recommending that S.B. No. 1156, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1156, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I am rising in opposition to this bill, S.B. No. 1156, HD 2. Thank you, Madame Speaker. The purpose of this bill is to enable the Office of Hawaiian Affairs to identify and locate persons whose benefits its programs and projects are intended for. Using that word, 'enabling' might make some people think that this isn't already taking place. The fact is that the program is currently in place. My reason for being against this bill is because in previous bills that have since been amended there was an appropriation paragraph where the State will be appropriating money for OHA to continue to do what it is already doing.

"It no longer has an appropriation in it, but I don't think it's a very large stretch to imagine that one would be put in. I personally believe that OHA has the funds to carry on the work that it's already been doing.

"And another concern I have or just want to make the Members here think about is the fact that if the Akaka bill becomes law, the federal government will pay for the registry. And again, because of the difficulty we're having in balancing the budget, I have real concerns in seeing this bill pass. Thank you."

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

"In support with some very brief comments. Just for clarification, OHA will be absorbing all of the expenses. It is needed for two reasons. The expectation that there will be federal recognition and the need for a quote, "roll call" as part of that qualification. Also there has been some instances where people who have displayed their OHA card and not been recognized. So with the statutory recognition, it becomes an official card. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1156, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Meyer and Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1474) recommending that S.B. No. 359, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 359, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In opposition. We have an existing credit so if we don't pass this bill, the existing credit will continue. I would strongly recommend against this, enhanced credit for filmmaking. And I just have to say that as a resident of the island of Oahu, in a Chamber where the majority of the Representatives come from the Island of Oahu, I continue to be offended by bills that provide credits at a higher rate to the Neighbor Islands or tax residents of Oahu at higher rate than the Neighbor Islands. I don't know where this pattern is coming from. It is wrong. We are the State of Hawaii and we should be treated equally when it comes to things like tax credits. Thank you, Madame Speaker."

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

"Madame Speaker, I rise in opposition to this measure. Madame Speaker, my opposition to this measure has nothing to do with my view of movies or films. I believe that we want to diversify our State economy. I believe that the film industry could be an important part of that economic diversification. We want to encourage people and filmmakers and cinematographers to film here. Because not only does it create jobs during the course of the production and filming of a particular movie, but it does give free advertising when people see Hawaii and our beauty and our people and our culture on the 'big screen'. And people want to vacation so in many senses, it is very good and effective advertising to have Hawaii showcased in a film.

"My opposition stems from a concern about us doing things that are just for show. I believe in a credit. I believe that we currently have a program. As I read this bill, the tax credit can be allowed or claimed only upon a declaration by the Governor. The particular declaration that is required is that the Governor be able to say that the general fund tax collections at the close of each of two successive fiscal years, exceeds 7.5% of general fund tax collections for each of the prior two fiscal years. People may not pick up on that 7.5%.

"My understanding is that is an extraordinarily high percentage increase. I don't know if we recognize that this tax credit probably would not, unless tax receipts exceeds historical levels, this tax credit would not be available. So here we are

talking about an important industry. Talking about giving real money, real tax credits to help support an ongoing industry. And then we make the threshold for that being available so high as to make it almost impossible.

"Now perhaps the Chairman of Finance can stand up and say, 'Pendleton, we always grow our tax base by that much. 7.5 is something we do, and exceed or surpass every single year.' I don't know. But I don't think that, that is the case. And I think it would really be disingenuous for us to pass a measure knowing that historically it is going to be impossible for this to be available. And for that reason, I oppose this measure. Thank you, Madame Speaker."

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

"On 1474, I rise with reservations for the same reasons and if I could invoke the words of the previous speaker from Kailua" and the Chair "so ordered." (By reference only)

Representative Stonebraker continued, stating:

"For the very reasons that were mentioned, to issue a tax credit. Now tax credits aren't the end all of all things. They are not a help. They are a very narrow, sliver of tax incentives in order to draw industry. I am very excited about the possibilities Madame Speaker, of bringing the film industry to Hawaii. It is one of our greatest resources and it is almost free advertising as was mentioned previously. This aspect that an 8% tax credit goes to the production of films on Oahu, and 10% for production of films on Neighbor Islands to me, is curious, and I have reservations about that. I don't understand why that is. Perhaps one of our Members could educate us.

"The other thing is, that as was mentioned, 7.5% increase. This would require the Governor to issue a declaration following any increase of fiscal or tax collections at the end of two years in a row of 7.5%. So we are talking about a 15% increase in revenues over two years. It seems a little deceptive to talk about a tax credit when it's almost impossible to happen. I could promise my wife that I'll buy her a new house if she has two birthdays in the same month. It is very exciting, but it will never happen. It is a lie and I wouldn't lie to my wife like that, and I wouldn't lie to the people of Hawaii like that.

"And so if we can have a little explanation from the Majority as to the motives and the reasons for why we are putting this thing on, maybe we can be educated somewhat to support this. I do have reservations and I hope that it is cleaned up Conference Committee. And some of the queries that I mentioned, I hope Majority will stand up and answer those. Thank you."

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

"Thank you, Madame Speaker. In support. Just to answer some of the questions that was posed to our Tourism Committee because we did that amendment to increase the tax credits from 8% for Oahu productions, and 10% to Neighbor Islands. The amendment came from the film industry who told me that 80% of the productions are done on Oahu and they'd like to diversify the look of the productions to other islands. And the costs are astronomically more expensive to do it on the Neighbor Islands with the shipping and all types of other expenses. So that is the reason why we increased it to 10% for the Neighbor Islands.

"Also as far as the amendments done by the Finance Committee, I won't want to speak to that. But there are many of the tax credit bills that are on the table now that have the

same language. And I assume it was to take it in for Conference with that kind of stipulation. Thank you."

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

"I will keep it brief, but again, but since the request was made for clarification, apparently, and I do rise in support of the measure. Thank you. I guess perhaps the Minority members on Finance did not get a chance to explain to the other Minority members the purpose for the trigger that is being included, not only in this tax credit, but in a number of tax credit measures that is coming before the Body today.

"I think it is clear the fiscal situation that we face today. I mean, there has been numerous references made to that. At the same time, even the Tax Review Commission came and did a presentation to your Finance Committee and did indicate that we should scrutinize carefully any tax credit measure. Not only because of its impact on the financial plan, on our fiscal situation, but also because many times it is not clear that some of the representations made when these tax credit measures come before us actually get fulfilled in implementing the tax credit.

"Therefore, your Finance Committee wanted to be very, very careful, very careful, when we come to these tax credit measures. At the same time even the Governor has provided room in her financial plan for tax credits. And therefore, in order to not preclude discussion at this point, the very high trigger was included in this and other measures to allow the discussion to continue, but knowing very clearly that our bottom line was fiscal responsibility. And that these measures would not emerge if we could not afford it. Thank you very much."

Representative Stonebraker rose to respond, stating:

"Thank you. I appreciate those responses. They are very helpful and I hope to go to the Conference Committee and view those things. We are dealing with a debate here about the purpose of tax credits. Granted, tax credits are not across the board. They don't help everybody immediately. We should see tax credits as an investment in order to draw or enable an industry to come to Hawaii. And I think if we go at this saying that, 'Well, if we can't afford it, we will give tax credits.' I think the opposite is true. When we are talking about tax credits for a narrow industry, we are talking about the ability to go out and invest in an industry to come in order to help our economy. And so by limiting it with a high percentage, and the Chair of the Finance Committee did admit thankfully, that it was an extremely high rate and it probably would not happen. So in order to keep the discussion alive, and that is good, and we will discuss it further.

"But when we talk about tax credits, I hope that we realize that tax credits are a means to get industry, and it shouldn't be given just when they can be afforded. They should be given in order to simulate our economy. So tax measures like this, we should consider them as a stimulus package a stimulus plan. And rather than hindering them with these high levels of qualifications, we should consider doing them even at the risk of stretching ourselves, because what is at the end of the road is, hopefully, a larger economy, a larger piece of the pie that we could have more money into our economy that we could fund more of these programs that we talk about. So with that said, I look forward to the Conference Committee Report. Thank you."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of SB 359, SD 1, HD 1, which would conditionally increase tax credits for the film industry in Hawaii.

"Competition for business from the film industry, both domestic and international, has been increasing dramatically in recent years. If Hawaii wants to continue to be a place where movies, television series, and commercials are filmed we have to be willing to compete for the business like other states and countries do.

"The benefits while sometimes difficult to quantify can be substantial. Keeping favorable images of Hawaii in possible visitors' consciousness can go a long way to making Hawaii the destination of choice for millions of people worldwide. For those of us who live here it is sometimes difficult to think of our day-to-day existence as somehow enticing and exotic, but for many a trip to Hawaii is something they dream of their whole lives.

"Movies, television shows and even commercials can remind people in the rest of the United States and in foreign countries of the beauty and unique culture of our islands. This result alone would be reason enough to support the film industry in Hawaii.

"Of course, attracting visitors is not the only benefit of supporting the film industry. The jobs that are created are critically important too especially in these uncertain economic times. Furthermore, success breeds success. The more of our citizens who develop the skills necessary for producing films, television shows and commercials the more attractive Hawaii will be as a filming destination because the industry will know that the requisite skill sets are available here in the islands.

"To address the concerns of those who felt we could not afford this kind of measure in these difficult budget times, the Finance Committee put a trigger in the bill which would require a declaration by the Governor before the credit can be claimed.

"This is too important an area to ignore. This bill at least shows the film industry that Hawaii wants to continue to be considered as a place to make movies, television shows and commercials.

"Mahalo Mr. Speaker, for the time to address this important matter."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 359, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FILM INDUSTRY," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Finnegan, Fox, Meyer and Pendleton voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1475) recommending that S.B. No. 1040, SD 1, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1040, SD 1, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker, I stand in strong support of Standing Committee Report No. 1475, S.B. 1040, SD 1, HD 1, for the

following reasons. This bill will provide a dedicated source of funding for the Statewide trails and access programs that already exists. This bill will enable the expansion of the trail access program, which will benefit rural areas such as the area that I represent. And our district of Puna, we are very supportive of eco-tourism and we have many trails that we would like to see developed. So for those reasons Madame Speaker, I hope that we can pass this. Thank you."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This measure doubles the maximum amount of transient accommodations tax revenue which may be directed toward the Hawaii Statewide Trail and Access Program.

"For many residents and tourists, the natural beauty of Hawaii is enjoyed best while hiking on the network of paths that encompass our State trail system. The stunning vistas that draw visitors to the State are often best observed in a pair of boots on a ridge high above the developed areas. Hiking is perhaps the most obvious form of eco-tourism, and is a popular form of low-cost recreation for residents as well. As a result, many of these trails are very heavily used. Trails exposed to heavy rainfall, steep terrain, and frequent users can deteriorate rather quickly due to erosion. Over the years, there has been an effective partnership between the State DLNR and groups such as the Sierra Club, Hawaii Trail and Mountain Club, Department of Public Safety inmate work lines, and others. These groups work together to perform upkeep functions and to blaze new trails, often with volunteers donating time, or working to raise money for their group.

"Directing a larger stream of funding from the transient accommodations tax to make sure that visitors and residents continue to safely enjoy this trail system makes good sense.

"I urge my colleagues to vote "aye" on this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1040, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Stonebraker voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1476) recommending that S.B. No. 209, SD 3, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 209, SD 3, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In opposition. In my view we have serious problems with our public school system and one of the problems that we have is that we struggle with the primary objective of putting students first. For example, we decide on whether or not somebody should go into kindergarten based on what experts tell us how they will do on a test."

Representative Saiki rose to a point of order, stating:

"Point of order. Could the Minority Leader please confine his remarks to the measure before us?"

Representative Fox continued:

"And in the case of ..."

The Chair addressed Representative Fox, stating:

"Representative Fox, please confine your remarks but please proceed."

Representative Fox continued, stating:

"Thank you, Madame Speaker. In the case of multi-track schools what we are doing is putting buildings ahead of students. Basically what we do is we build schools that are too small for the numbers of students that go into the area and then we forced them into these multi-track patterns of studies that disrupt families, disrupt schedules and put serious strain on everybody involved in the system. Now we are going to come along and pass a bill to make it easier to have multi-track when we should be dumping the system as quickly as we could.

"There is also something else going on here. Principals would like to be paid on a 12-month calendar, not a 10-month calendar. This is the first step in the door for getting principals to be paid year-round. We are going to pay the principals at multi-track schools year-round. I think principals deserve far more money than they get now and I am willing to strongly support increased pay for principals. I don't want to do it this way. I think principals should get more money. And in exchange for more money, they should be willing to work on a contract basis like principals do throughout most of the country. So for those reasons, I oppose this bill. Thank you, Madame Speaker."

Representative M. Oshiro rose to speak in support of the measure, stating:

"I rise in support. Multi-track schools position conversion. A couple of points. One, as more schools are moving to the multi-track system, the schools are taught throughout the year support services will be needed to expand to the year round schedule.

"Two, the needs of the students attending multi-track schools for the counselor positions are required throughout the year.

"Three, the positions here amount to about \$60,000 to convert 10-month counselor positions to 12-month counselor positions. This applies particularly to Kapolei Elementary, Kapolei Middle School and Holomua Elementary. For those reasons I support this measure. Thank you."

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

"Thank you, Madame Speaker. I rise in strong support. I do have schools in and surrounding my district that are on a multi-track schedule, as I am sure many of us do. They are very concerned that they will not have the support staff needed in order to run the year-round schedule so for those reasons, I support this measure. Thank you."

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

"Thank you, Madame Speaker. In support with one very minor reservation. First of all, I do have two of these schools in my district so there may be a potential conflict. This doesn't really spell out what it is for. And there was some objections to

you know, this principal, maybe they deserve other funding and who is it?"

"Originally when we heard the testimony, it is for the counselors, but it doesn't really spell it out. It says, "certain certificated positions." So maybe it could be spelled out a little clearer what we are talking about. But I agree these people are there year-round because there is no summer breaks anymore. They break a couple of weeks, then they break maybe three weeks a little while later, then they break a couple weeks again. So that's it. So they are there on the campus all year-round. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 209, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Fox, Jernigan, Meyer, Ontai, Pendleton, Stonebraker and Thielen voting no.

The Chair directed the Clerk to note that S.B. Nos. 1675, HD 3; 658, SD 1, HD 3; 1373, SD 1, HD 1; 1403, HD 1; 1156, HD 2; 359, SD 2, HD 2; 1040, SD 1, HD 1; 209, SD 3, HD 1; passed Third Reading at 11:46 o'clock a.m.

At this time, the Chair announced:

"At this time, we are going to be in recess for lunch. We are going to reconvene at 1:00 p.m. sharp."

At 11:46 o'clock a.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:08 o'clock p.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1477) recommending that S.B. No. 1332, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1332, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

Representative M. Oshiro rose to speak in support of the measure, stating:

"Madame Speaker, rise in support of the measure. Madame Speaker, S.B. 1332, HD 2, Relating to Compensation of Officials in the Executive Branch of State Government provides the following. It establishes an Executive Salary Commission comprised of five members, two appointed by the House Speaker, two by the Senate President, and one from the Chief Justice. Their task is to review the salaries of the Governor, Lt. Governor, Executive branch department heads other than the President of the University of Hawaii and the Superintendent of Education, and the deputy department heads. It will be housed in the Department Human Resource and Development. They are tasked with providing a procedure, but with the salaries recommended for disapproved by the Legislature.

"It provides for a salary recommendation increase for department directors and deputies effective next fiscal year, July 1, 2004. But for the Governor, Lt. Governor, effective December 4, 2006. The Commission will be established and tasked with this job every 8 years. If this measure does pass, it should be constituted sometime by November of this year, and



report no later than the 40th day of the 2004 session with their recommendations to the Legislature and the Governor.

"By way of background, the salaries of legislators are determined by a Commission on Legislative Salaries in accordance with Article III, Section 9 of the Hawaii State Constitution. Under this provision, not later than the 40th legislative day of the Regular Session of 1979, and every 8 years thereafter, the Commission on Legislative Salaries is required to submit recommendations to the Legislature and the Governor. The recommended salary becomes effective as provided in the recommendation, unless the Legislature disapproves the recommendation by adoption of a concurrent resolution prior to adjournment sine die of the Legislative Session in which the recommendation was submitted. Or the Governor disapproves the recommendation by a measure of disapproval transmitted to the Legislature prior to the adjournment of that Session. Under this law Madame Speaker, any change in the salary does not apply to the Legislature in which the recommendation for the change in salary was submitted.

"In recent months, the issue of establishing a mechanism to automatically adjust the salaries of department heads has been a topic amongst discussion. The Governor herself has 'belly ached' how this ridiculously low salaries have hindered her ability to attract quality candidates for directors and deputy director positions. "It is very difficult to attract the caliber of the people you want for \$85,000 a year," she said, calling the salary cap unrealistic and artificial. Only after three weeks in office did our Governor finally realize that it's been over 13 years since the last Executive branch increases were implemented back in 1990. Madame Speaker, I hope you all support this measure and this Commission. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1332, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF OFFICIALS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT," passed Third Reading by a vote of 40 ayes to 1 no, with Representative Marumoto voting no, and Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1478) recommending that S.B. No. 1462, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1462, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker, in opposition. I find it disturbing as somebody who was around when HTA was created, that we are getting into such minute description of what HTA can and cannot do. I don't think it is up to the Legislature to be operating in that area. I would also say that I particularly object having, if we are going to dip into this stuff, that we are increasing the percentage of HTA monies that can go for administrative expenses. That is fixed at a lower percentage and we are raising it here. So I object for those two reasons. Thank you, Madame Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1462, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY," passed Third Reading by

a vote of 35 ayes to 6 noes, with Representatives Blundell, Fox, Leong, Meyer, Pendleton and Thielen voting no, and with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1479) recommending that S.B. No. 248, SD 3, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 248, SD 3, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVENTION CENTER," passed Third Reading by a vote of 36 ayes to 5 noes, with Representatives Blundell, Jernigan, Leong, Meyer and Thielen voting no, and with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1480) recommending that S.B. No. 464, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 464, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IMPLEMENTATION OF A FIXED RAIL TRANSIT SYSTEM," passed Third Reading by a vote of 34 ayes to 7 noes, with Representatives Blundell, Finnegan, Halford, Jernigan, Leong, Meyer and Thielen voting no, and with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1481) recommending that S.B. No. 317, SD 2, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 317, SD 2, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE FIFTIETH ANNIVERSARY COMMEMORATION OF THE KOREAN WAR COMMISSION," passed Third Reading by a vote of 41 ayes, with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1482) recommending that S.B. No. 1050, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1050, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

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

Representative Pendleton's written remarks are as follows:

"Mr. Speaker, I stand in strong support of Senate Bill 1050, Senate Draft 2, House Draft 2, which would help and assist our Filipino veterans.

"This bill entitles the Filipino veterans of World War II to benefit from a burial grant from the office of Veterans Services to pay for the cost of providing a funeral and burial service for the deceased veteran and/or transporting the veteran to the Philippines.

"This bill, if it should become law, would give Filipino families hope. Not all are fortunate enough to have money handy for such big expenses such as funeral services or transportation of a deceased loved one. This bill would require the Office of Veterans services to provide grants of up to \$2,500 to reimburse survivors or interested parties of deceased World War II Filipino veterans. Note the language of "or interested parties." These three words make possible for the government to pay the funeral parlor or the carrier who will transport the deceased. This makes it unnecessary for Filipino families to have to raid their savings to make these payments. The government, which would pay for such things anyway, would directly pay whomever is providing funeral and burial or transportation services.

"As a Filipino-American lawmaker, I believe we need to do more to address the wrongs of the past. We cannot change history, but we can work in the present to make things right. I strongly support passage of the Filipino Veterans Equity legislation at the federal level, and I will do whatever I can to continue to work for its passage by Congress. But until that legislation passes, let us do what we can at the State level to honor and support the Filipino veterans who during World War II sacrificed so very much. This measure is an important step in the right direction."

Representative Ito rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I stand in support of Standing Committee Report 1482, SB 1050, SD 2, HD 2.

"Mr. Speaker, this measure requires the Office of Veterans' Services to provide grants of up to \$2,500 per grant under the veterans burial grant program to reimburse survivors or interested parties of deceased World War II Filipino veterans for funeral and burial expenses, or the cost of transporting the remains to the Philippines. Not every World War II Filipino veteran who resides in Hawaii can apply for this grant. The measure requires valid documentation that the World War II Filipino Veteran was, at the time of death, a resident of Hawaii. The measure further requires the Office of Veterans' Services to complete the grant application processing and eligibility determine within seven working days following receipt of the completed application and all required documents.

"Mr. Speaker, the World War II Filipino American veterans who died after June 30, 1994, are presently being assisted through a State program, the Veterans Burial Grant Program, administered by the State Office of Veterans Services. Under this program, Filipino American veterans are entitled to receive a burial grant to cover funeral and burial services and transporting remains to the Philippines; however, this grant comes in the way of a reimbursement after a deceased veteran's family or interested party has already made such payments. In some instances, due to the lack of cash for these tremendous up-front costs, the remains of some veterans have not been properly tended to for weeks while the family or interested parties raise the necessary funds.

"Mr. Speaker, this measure will avoid any delays in payments to the family or interested parties or World War II Filipino Veterans to reimburse survivors or interested parties of

deceased World War II Filipino Veterans for funeral and burial expenses, or the cost of transporting the remains to the Philippines.

"Mr. Speaker, I urge all of my colleagues to vote in favor of this measure. Thank you."

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

"Madame Speaker, I am in support of the measure. The Office of Veteran Services is in support of this bill and all they want is all necessary expenses which should be provided through the Office of Veteran Services. And that is all they are asking."

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

"Thank you, Madame Speaker. On the same measure, in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1050, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERANS RIGHTS AND BENEFITS," passed Third Reading by a vote of 41 ayes, with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1483) recommending that S.B. No. 16, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 16, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Kawakami rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I rise to speak in support of S.B. 16, SD 2, HD 2, relating to education.

"We face a chronic shortage of teachers, especially in rural areas. We also face persistent pressure from our communities to continually improve public education. Therefore, our children would benefit greatly from this measure.

"The incentive contained in this bill is commensurate with the dedication expected of those individuals who enter the teaching profession. The total cost of their education will be refunded to them only after 6 years with the DOE in a shortage category.

"Mr. Speaker and colleagues, I believe that this bill will encourage more students to seriously consider teaching as a career. This would be especially true for those who are financing their education through student loans.

"It is for these reasons that I ask for this Body's unanimous support of S.B. 16, SD 2, HD 2. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 16, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 41 ayes, with Representatives Arakaki, Herkes, Hiraki, Kahikina,

Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1484) recommending that S.B. No. 748, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 748, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, this bill will help to ensure an adequate supply of registered nurses to provide quality health care services. Nurses have been in short supply in Hawaii as the existing workforce ages and fewer young people choose nursing as a career.

"To meet the demand for nurses as existing workers retire, Hawaii's schools of nursing will need to graduate 400 registered nurses every year for the next 15 years! Still, this need does not account for the expanding health care industry, the longer lives enjoyed by many people, and the resulting increase in demand for nursing professionals. Presently, since only about 280 new graduates remain in Hawaii, there is a deficit of approximately 120 registered nurses each year.

"This bill will provide an incentive for young people to study nursing and to serve as registered nurses in Hawaii upon graduation. The bill provides for a competitive, need-based loan program to provide for tuition and textbooks. The loans will have an interest rate of 5%, a one-year grace period, and a six-year repayment period.

"Upon graduation and full-time nursing employment in the State, 10% of the total amount of the loan and interest shall be waived for each of the first five years employed. After the sixth year, the remaining balance of the loan shall be waived. If the loan recipient does not take nursing employment in the State, the loan will become subject to a 10% simple interest rate.

"After an initial appropriation of seed money into a new special fund, the loan program will be at least partially self-supporting insofar as loan recipients do not meet their obligation to complete six years employment as a registered nurse and are compelled to repay the loans with interest.

"The bill also anticipates the increased burden on the UH School of Nursing, and appropriates funds to hire more nursing faculty for this effort.

"Mr. Speaker, this is an excellent way to intervene in the nursing shortage before it becomes any worse. I urge my colleagues to vote "aye" on this bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 748, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NURSING EDUCATION," passed Third Reading by a vote of 41 ayes, with Representatives Arakaki, Herkes, Hiraki, Kahikina, Karamatsu, Nishimoto, Shimabukuro, Stonebraker, Takai and Takumi being excused.

The Chair directed the Clerk to note that S.B. Nos. 1332, SD 2, HD 2; 1462, HD 2; 248, SD 3, HD 1; 464, SD 2, HD 2;

317, SD 2, HD 1; 1050, SD 2, HD 2; 16, SD 2, HD 2; 748, SD 2, HD 2; passed Third Reading at 1:16 o'clock p.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1485) recommending that S.B. No. 325, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 325, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1486) recommending that S.B. No. 354, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 354, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1487) recommending that S.B. No. 1399, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1399, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO A LONG-TERM CARE TAX CREDIT," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1488) recommending that S.B. No. 635, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 635, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC FINES," passed Third Reading by a vote of 38 ayes to 13 noes, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Jernigan, Leong, Marumoto, Meyer, Moses, Pendleton, Stonebraker and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1489) recommending that S.B. No. 919, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 919, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I am rising in opposition to this measure, the bio-remediation research. The problems that I have with this bill is that the bill names the entity that will receive the money and the money comes from the Hazardous Waste Fund or the Emergency Response Fund from the Department of Health. This is money that comes from a tax on all petroleum products, and was originally planned to be used if we had an oil spill.

"During the last eight years, the cap on that Fund has gone up from about \$7 million to now it is \$20 million. This bill is going to take \$5 million and appropriates it for a pilot program, which is described as small, and gives it to a company, one specific company, the Pacific International Center for High Technology Research, and that is named in the bill. In the testimony in Committee, there was testimony from the Maui Invasive Species Committee. In their testimony they said that they would rather see the money go to the Pacific Cooperative Studies Unit at the University of Hawaii.

"I think that this is a good project. As seen with the tons and tons of sludge and dirt that were dredged out of the Ala Wai and testing of that material, we found that there are chemicals that are not safe and it is a problem with sewage. Trying to find ways to handle and clean up the soil. So I don't say that we shouldn't be doing this. The problem that I have with this is that it seems to be a bill that takes money away from the Emergency Response Fund, which if we even had one spill, we would probably use a great deal of it. It sort of fits a pattern that we have here. Wherever there is a special fund that seems to have a fairly large balance in it, it looks like a good place to draw money off of. And I don't think that is always too well thought out. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I rise in support of the measure. In strong support. Sediments are a significant problem in Pearl Harbor, in the near-shore waters and other harbor areas in our State. It reduces the ability of these areas to support a healthy marine ecosystem. Shipment to the mainland for burial is costly. Ocean dumping pollutes our food-chain, degrades coastal resources that our residents and visitors enjoy alike.

"Bio-remediation appears to be promising, desirable, and a cost effective treatment alternative. It restores native ecosystems and habitats for the endangered species of our native water birds. And so as such, Madame Speaker, I urge your support for this bill as it provides sustainable economic and recreational benefits to our agriculture, tourism industries, and to the health and welfare of Hawaii's people. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 919, SD 1, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR BIOREMEDIATION RESEARCH," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Meyer voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1490) recommending that S.B. No. 931, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 931, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I'm sorry I was a little slow. I wanted to get up on Standing Committee Report No. 1490. While I am certainly not against people having leave, and companies offering leave. I am voting in opposition. Again, it's not that I don't think that people should get time off if they have been victims of spouse abuse, stalking, and the various things that are included in this bill, but this will affect small businesses. The numbers are down from what it once was. It

would affect companies with 50 or more employees. This is not just for public workers. This is for all the businesses in Hawaii. And I guess that's the problem that I have.

"The small businesses in Hawaii have been struggling for so many years, really ever since I've been in office in 1994, and before that. And one of the cries that you hear from the small business community is that we have too much regulation in Hawaii. There's always much talk about that. Every Session, we come up with more good ideas to make these mandates on private business entities. And that's what this bill does, even if it is a good cause, and may be necessary in many instances. I believe that the employers should be not mandated to do this by the Legislature, but have the freedom to handle their employees as they see fit. This bill doesn't do that. It mandates that the employer will give time off. It doesn't say paid. It says, "paid or unpaid," but up to 30 days. For many businesses, to do without an employee for 30 days is a hardship.

"Then it goes on further to say that if you are a business with 49 or less, you must give at least 5 days off. I think that most employers are not heartless, and they can do what they think is necessary. But when we put it in the form of a law, then it is a regulation, and it does have an effect on businesses, and businesses that are thinking of coming to Hawaii, it just adds more mass to the reputation that we have that it is a difficult place to run a business. Thank you, Madame Speaker."

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

Representative Evans rose in opposition to the measure and asked that the remarks of Representative Meyer be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Bukoski rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bukoski's written remarks are as follows:

"This bill mandates privately owned businesses to provide paid or unpaid leave to victims of sexual abuse and/or domestic violence, including caring for children who are victims of sexual abuse and/or domestic violence. I completely have compassion for victims, who suffer from such circumstances and would definitely have no problem allowing for time off under these and similar circumstances where an individual may require some time off due to mental, physical or emotional stress.

"My problem with this measure is that it mandates private business owners and their businesses rather than allowing business owners to provide such benefits to their employees at their own discretion. As a business-person, I believe it is important to allow business owners the flexibility of making these decisions and not the government making the decisions for them. This mandate will increase the cost to already overburdened small businesses and mandate something that I feel would already be accommodated by business owners. In addition, it may open the playing field for abuse, similar to that abuse found in our workers' comp program. Heaven forbid anyone would falsify such claims of abuse, but the definition provide therein is too broad and allows for such abuses to occur at the expense to the business.

"I support domestic abuse prevention, but cannot support this bill as written. Thank you, Mr. Speaker."

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

"I stand in strong support. I have written comments for the Journal, but I would like to just state for the record that here is another bill that supports the victims of sexual assault and domestic violence, and I'm all for it."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This bill requires employers to permit an employee to take a period of leave for a purpose related to medical care, counseling, relocation, or legal action, if the employee or the employee's minor child is victim of domestic or sexual violence.

"This measure will assist individuals trying to cope with what are obviously very stressful incidents. Presently a victim of these crimes may face the additional burden of putting his or her employment in jeopardy because dealing with the aftermath requires an absence from work. This measure will provide the victim an extra cushion of protection while trying to repair the damage inflicted upon them.

"The employer representatives have legitimate concerns with this concept, particularly the cost involved. I believe this measure finds a fair balance between those economic costs and the harder-to-quantify social costs of this type of leave. This balance was achieved with the help of several of the interested parties who came to agreement on compromise language.

"The leave provided in the bill will only become available after all other forms of leave have been exhausted by the employee, and the amount of leave is limited. The leave amount is set according upon the size of the company, with the intent being to ease the burden on businesses with fewer employees.

"This measure is good for workers, and while there is some cost for employers, I believe it makes good economic sense for workers that need this type of leave to take care of their needs and then return to work more productive.

"I urge my colleagues to vote "aye" on this measure. Thank you."

Representative Finnegan rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and that the remarks of Representative Meyer be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I rise in opposition on H.S.C.R. 1490, S.B. 931, S.D. 2, H.D. 2. Mr. Speaker, I rise with reluctance on this measure. This is a difficult measure to criticize because of the obvious good intent of the measure and because of the vulnerability of the victims it intends to help. Nonetheless, Mr. Speaker, I have some concerns about the measure.

"My first concern centers on the effect of putting another leave requirement upon the businesses of our State. I know that the Chairs of the Labor and Finance Committees have made good faith efforts to draft this bill carefully and to minimize the impact on business. Nonetheless, the business climate is difficult enough here as it is without adding another burden. Advocates have noted that Hawaii would be one of the first states to pass such a measure. I worry that being one of the few states with this additional leave requirement would put us at that much more of a competitive disadvantage in attracting businesses to our State.

"My second concern centers on the question of fairness, Mr. Speaker. I know that the victims of domestic and sexual violence, whether adults or minor children, are uniquely vulnerable. I cannot believe, though, that they are the only victims of crime who might be in need of such leave to seek medical treatment, counseling, or legal services. I can well imagine that victims of other forms of assault or who have a family member or friend suffer a violent crime could be in need of leave for these services as well. If we are going to pass such a measure, Mr. Speaker, and impose this additional burden on our businesses, then we should pass a measure that extends this leave to all victims or family members of victims of violent crime. Victims of domestic and/or sexual violence are not the only ones who might need this leave.

"Thank you, Mr. Speaker."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Madame Speaker, I rise in strong support. This measure will require employers to provide unpaid leave if the employee or employee's minor child is a victim of domestic or sexual violence. And that the leave is, among other things:

One, seek medical attention to recover from physical or psychological injury or disability caused by domestic or sexual violence;

Number two, obtain services from victim service organizations;

Number three, obtain psychological or other counseling;

Number four, temporarily or permanently relocate; or

Number five, take legal action, including preparation for or participating in any civil or criminal legal proceeding relating to, or resulting from the domestic or sexual violence or other action to enhance the physical, psychological, or economic health or safety of the employee or the employee's minor child.

"I'd like to ask leave to submit the remainder of my comments into the written record. Thank you," and the Chair "so ordered."

Representative M. Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in favor of Senate Bill No. 931, House Draft 2, Relating to Hawaii Victims Leave Act.

"This measure would require employers to provide unpaid leave if the employee or the employee's minor child is a victim of domestic or sexual violence and if the leave is to, among other things:

- Seek medical attention to recover from physical or psychological injury or disability caused by domestic or sexual violence;

- Obtain services from a victim services organization;

- Obtain psychological or other counseling;

- Temporarily or permanently relocate; or

- Take legal action, including preparing for or participating in any civil or criminal legal proceeding related to or resulting from the domestic or sexual violence, or other actions to enhance the physical, psychological, or

economic health or safety of the employee or the employee's minor child.

"Under this bill, employers employing fifty or more employees are required to provide up to thirty days, or six weeks, of unpaid leave, and employers employing forty-nine or less employees are required to provide up to five days or a single week of unpaid leave per calendar year.

"Domestic and sexual violence is a plague on our community. It is especially vicious because it robs people of their self-esteem, their freedom to live without fear, and their right to exist in peace. This Legislature has acknowledged the detrimental impacts domestic and sexual violence has on women, children, and entire families, and has demonstrated its support for worthwhile organizations that assist victims and their families.

"The Legislature and your Committee on Labor and Public Employment have recognized how domestic and sexual violence impacts the workplace and have taken steps to address these issues. An example of this House Bill No. 385, a measure heard by the Labor Committee on February 7th, that was subsequently reported and approved at Third Reading by this House. House Bill No. 385 would establish a mechanism for employers to obtain temporary restraining orders to protect against violence and harassment at the worksite.

"During the public hearing on Senate Bill No. 931 on March 18, 2003, the Director of Human Resources Development testified that the Governor, the Department of Labor and Industrial Relations, and the Department of Human Resources Development had met to discuss this bill, and that each supported the measure, notwithstanding concerns noted by DHRD.

"I am hopeful that the Administration's support for employee leave, as evidenced in its support of this measure, will be applied consistently to other employee leave measures, and in particular House Bill No. 389, House Draft 2, which to date, both the Department of Labor and Industrial Relations, and the Department of Human Resources Development have consistently opposed as anti-business.

"It should be noted, however, that, unlike the present measure, House Bill No. 389, House Draft 2, does not require employers to provide any more leave than they are already required to provide under the law, or require them to provide sick leave that the employee has not already accrued. Rather, House Bill No. 389, House Draft 2, requires employers of 100 or more employees, who must currently provide four weeks of unpaid leave under Chapter 398, Hawaii Revised Statutes, to permit employees to use up to ten days of their accrued sick leave for family leave purposes.

"It is the requirement of additional leave that concerned your Committee on Labor and Public Employment the most about Senate Bill No. 931, despite the Administration's support for the measure.

"Specifically, this bill would require employers with less than 50 employees to provide five days of unpaid leave for victims of domestic violence, sexual assault, or stalking. Currently, employers of this size are not subject to State or federal unpaid leave laws. Further, this bill would require employers of 50 or more employees to provide 30 days of unpaid leave, in addition to leave required under the federal family and medical leave law.

"Under this bill, HMSA would be required to provide leave for an employee whose daughter is the victim of domestic violence, but Likelike Drive-In, which is situated across the

street, would not be required to provide leave for an employee whose son is in intensive care dying of cancer. In my view, the employees in both situations equally deserve leave.

"Your Committee on Labor and Public Employment has endeavored to maintain the fine balance between meeting employee needs, while attempting to address the concerns of the business community. While I understood what this measure intended, I could not escape nor ignore the economic realities faced by the business community. As such, as Chair of the Labor Committee, I requested representatives of the Department of Human Resources Development, Domestic Violence Clearinghouse and Legal Hotline, and the Society of Human Resources Management to collaborate on language addressing concerns raised by the Committee, including the bills effect on collective bargaining, stacking of leave, and certification and notification requirements.

"Although the representatives met, only DHRD and Domestic Violence Clearinghouse and Legal Hotline reached consensus on the language. Their recommendations have been incorporated into the draft presently before us today.

"The draft has received the support of DLIR, the Hawaii State Coalition Against Domestic Violence, Na Loio Immigrant Rights, and DHRD. Additionally, your Chair has received a copy of a letter from Rumi Murakami, Project Manager, Hawaii State Coalition Against Domestic Violence, sent to Governor Lingle in March 2003, confirming and documenting Governor Lingle's involvement in the drafting of this current measure. More importantly, the letter purports to confirm Governor Lingle's continued support. The letter reads in pertinent part:

"From the first hearing on this bill, it was made clear to us, through the Director of the Department of Labor, that you were in support of the concept of the bill. I understand that the Department of Labor was in close consultation with you as they worked with us to create a draft of the bill that would meet with your approval. We appreciate your active involvement on this important bill. Granting victims the security to take unpaid leave to attend to their safety will increase our community's awareness and undoubtedly save lives.

"I am sure you are aware that we argued vigorously against your request that the bill's 30 days of unpaid leave apply only to employers with 50 or more employees. In the end, however, and thanks to your willingness to include smaller employers under a separate scheme of 5 days unpaid leave, we decided it was more important to have your support than to continue fighting on this issue. We wanted the bill to leave the Senate in a form that you, the Department of Labor, and we could support through the remainder of the session. S.B. 931, S.D. 2 is the fulfillment of that goal, and we thank [you] for your participation and continued support."

"It is my hope that dialogue between the Administration and Domestic Violence Clearinghouse and Legal Hotline on the one hand, and the business community on the other hand does not end. In order for us to enact balanced legislation that meets the needs of all citizens, there must be good faith effort by all of the parties to reach a compromise.

"I urge my fellow colleagues to support this measure. Thank you."

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

"Madame Speaker. Just reservations on this measure. I concerned about the effect on small businesses. Thank you."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Moses rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 931, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAII VICTIMS LEAVE ACT," passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Bukoski, Evans, Finnegan, Jernigan, Meyer and Ontai voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1491) recommending that S.B. No. 1460, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1460, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS ENTERED INTO BY THE HAWAII TOURISM AUTHORITY," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Sonson voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1492) recommending that S.B. No. 377, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 377, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker, I would like to vote no, please. But I would like to call the attention of all the Members to this booklet put out by the Hawaii Institute for Public Affairs, *Policy Review*. A very prestigious non-profit group. And I'm sure all of you got it. I had the opportunity of actually sitting down and reading it last night. We have so much have material that we don't often get to read it.

"But I would like to point out that the purpose this report is to help policy makers, industry leaders, entrepreneurs, and citizens sift through the conflicting information and provide sense of the new economy in Hawaii. It is designed to make an even-handed, informative and locally relevant discussion that points to strategic action. And they give us four ways that we can do that. The last one is to provide the foundations of a new economy strategy for Hawaii, including some specific recommendations for action. And this is what we have been trying to do, I think, all along.

"But I would like to point out that on page 24, under recommendations, they go in to a detailed discussion of the old economic style of development, and the new economic style of development, which we need to catch up with if we are ever really going to make Hawaii a good place to live with good jobs and good opportunities for development. And this recommendation on page 24 says, "In the old style of economic development, stimulating growth meant providing government subsidies to specific businesses and wooing companies to relocate or to expand in your jurisdiction."

"Hawaii has had much experience with these tactics. Most recently, the 2002 Legislature passed a measure to provide a \$75 million tax credit for an aquarium development at the

project at Ko Olina. Former Governor Cayetano ultimately vetoed the measure despite developer claims that 10,000 construction jobs and 2,000 permanent jobs will result. This tax credit has re-emerged in the 2003 Legislative Session.

"Old economy strategies such as this could still conceivably create public value. But a smart new economy strategy would also make such substantial investments in the industries that build skills and knowledge needed in the new economy. It would focus on creating new economy jobs rather than merely a lot of jobs. Good economic policy, good new economic policy, will also demand more accountability from the beneficiaries of incentives and measure actual results. These types of policies would not only begin to show outsiders that Hawaii is becoming business friendly, but also that it is becoming business smart. And I take these words very seriously and those are some of the reasons that I cannot support this bill." Thank you."

Representative Morita rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Morita's written remarks are as follows:

"I rise in opposition to this bill. First of all, I would like to adopt the words of the Representatives from Puna, Salt Lake, North Kohala and Lanai as my own. In these difficult times our State has limited resources, these resources should not be directed to a sector of our economy, that is tourism, that continue to make our State vulnerable to outside forces beyond our control. Tax credits should be focused on objectives that diversify our economy, help to build sustainable communities and create permanent jobs that pay a living wage. I do not believe this tax credit will move our State closer to these objectives.

"Mr. Speaker, I would like to submit for insertion the Journal an article which appeared in *Hawaii Business* magazine by former Governor George R. Ariyoshi entitled, "The Ko Olina Tax Credit: Why is the Public Silent?" Governor Ariyoshi captures exactly what is wrong with the Legislature and Administrator's logic in supporting this tax credit.

"It tells us something that the bill is co-sponsored by one of the most liberal legislators and one of the most ideologically conservative. To me, this reflects the intoxicating way that tax credits are thrown at social problems (such as unemployment in Waianae) on the one hand, while advancing business schemes on the other. These impulses of left and right hold sway in the absence of clear thinking and strong action by the bipartisan center."

*Hawaii Business News*  
April 2003"

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

"Just with grave reservations and I'll decide when it comes up for final vote. Thank you."

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

"Thank you, Madame Speaker. I am voting no on this measure. I generally support tax credits for the economic stimulus they provide. I have opposed this particular measure because I consider it over-generous. \$75 million seems extravagant in our present weak economy. This draft has taken the numbers out, the total tax credit and the per annum amount are blank. The end result could be far less than \$75 million, or far more.

"In the House Economic Development Committee, I expressed the need to see the definition of qualified cost narrowed. It is quite broad, encompassing "the development of facilities for attraction and educational purposes and for infrastructure within the Ko Olina Resort that is directly related to those facilities, including a ..." The rest of the sentence includes a long list of possible and legal projects.

"However, the first part of the sentence, facilities for attractions, is big enough to drive a casino through. Of course, gambling is currently illegal in Hawaii, but five years from now, who knows? I suppose the definition is also broad enough for a golf course or amusement park or whatever. However if the final draft contains a reasonable tax credit, less than the \$75 million and it adequately narrows the definition of qualified cost to explicitly prohibit a casino on the premises, then I reserve the right to change my vote to aye. Thank you."

Representative Stonebraker rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"In support. As beautiful as Hawaii is today, we need more attractions for our tourist and our residents. The creation of a world-class aquarium, and international sports training complex. And a travel industry management intern campus will attract tourist, sports teams, students and related conferences and meetings from around the world. We must not forget that Ko Olina is a master planned resort region. A major attraction such as an aquarium would urge more development of new hotels, time-shares, and commercial developments to be started on the lands that are now currently vacant. These properties will go from non-tax producing land, to significant tax generators for the City and County of Honolulu, and the State of Hawaii.

"This is a long term investment for our State because this tax incentive will bring to the district, island and State through construction and permanent jobs, new tax revenues and expendable income that we will far exceed the credits given over the life of this development. This is tax revenue we don't have now, and we won't have if the aquarium is not built. And considering future revenues for the State, one half of the aquarium's net profits will be paid to the State starting in the 17th year. Thank you very much."

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

"Thank you, Madame Speaker. I stand in strong support and I'd like to have the words of the Chair of Tourism be entered into the Journal as my own," and the Chair "so ordered." (By reference only.)

"Madame Speaker, I guess there is other places in this State that is suffering from economic down turns than the Waianae Coast. We are suffering just as much as the rest of the State. We see an opportunity, a relationship with a developer that not only talks about this development, but is also proven by hiring local people. People from our community.

"Our people do not have any jobs, and I appreciate the discussion on this floor because the tax credit is to encourage development in our communities. A job is better than no job, at this point with the economy being as it is. We are discussing many other services that we'd like to see. I'd like to see more books in the classrooms, but the fact of the matter is the economy is not as strong as it was. And for those matters, I

hope I can get the support from this Body to encourage developments on the Waianae Coast and to encourage our people to find jobs. As minimal as it may be, a job is better than no job, and that is someone that will be off the welfare lines. Thank you."

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

"Thank you Speaker in support. This measure creates a tax credit for investors who will develop an aquarium and research facility at Ko Olina Resort and Marina. I support this measure because a world-class aquarium and marina will help to stimulate the visitor industry on Oahu. More particularly, it will help stimulate development on the Leeward Coast of Oahu.

"At present, Oahu is regarded as a single resort destination with almost all visitors concentrated in Waikiki. Hawaii increasingly has competed with other destinations for tight, very tight, tourist dollars. Some of the destinations are aggressively advertised. Now more than ever, it is important that we show potential visitors that there are lots of reasons to visit Oahu, not just Waikiki. The Ko Olina Resort and Marina speaks very loudly to that need.

"And another need that has been addressed from the previous speaker from Waianae is that, from Waipahu towards the coast, there is certainly social issues, social injustice, inequities in economic opportunities. Since the area was developed into a resort, it has consistently looked on out depressed areas of Oahu, starting from Waipahu to the coast, for people who will work in the industry. I would expect that if we support this bill, we will hurt in other areas because really we need to be fiscally responsible in these hard economic times. But I will leave the fiscal portion of this matter to be decided by the experts in the Finance Committee. But I will speak to you in this Body and urge your support for this on the very hope that it brings to the people in the Leeward Coast.

"You see we need hope. We need the government to support that. To support the hope that we are going to be able to accomplish one thing, and that is to obtain enough funding through jobs to support our families so that we too, can send our children to schools so that they won't fall in the hole. In that hole we are trying to get out of. It is really a responsibility of the State anyway. We don't want them to stay on the welfare rolls. The people that are in Waipahu to the coast, are dependent on monies coming from the Legislature for social help. We don't want that kind of help. Frankly, we want to help ourselves by working. But it is very difficult being in the situation that we have and a lot of people that are disadvantaged. Those lucky ones are able to send themselves off, pick themselves up, and go to college and come back, have a good job. But a lot of those people that live in that area Madame Speaker, do not fall in that same category. Those that make it are the exceptions. Most of the people that live in that area look upon the government for health, and frankly, I don't think we should be giving to them in a manner of direct payments. I don't think we should be giving it to them in welfare benefits. I think we should be giving it to them in opportunities to work. Work with dignity, live with dignity. That is all I ask. Thank you very much Madame Speaker, for this time."

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

"Madame Speaker, I rise with reservations on this bill. Madame Speaker, there is no doubt that this development will revitalize the Leeward Coast. The numbers are impressive. It will pump \$715 million into the construction industry. That represents 10,000 jobs. When the dust settles, there will be 2,000 permanent employees and a \$186 million in new taxes.



That sounds like a real winner of a project. So why the need for tax credit?

"If this project were as wonderful as the developer claims, it should easily attract investors from around the globe. If we pass this bill, we will force the taxpayers of Hawaii to become investors in Ko Olina. It is a dangerous precedent. You can bet that other companies will be 'lining up at the trough' if this bill becomes law. Why can't this aquarium be financed through a special purpose revenue bond? That is how government assists other private entities. Last week the developer told Finance Committee members that he will develop this project with or without the tax credit. So in actuality, he only needs this hand-out to hasten his project along. The only thing tax credits guarantee is a loss of revenue for the State. The promised benefits are a leap of faith.

"I also question the wisdom of moving ahead with two aquarium projects. We have this one, and the one in Kakaako. This island needs two aquariums just as much as it needed two convention centers. Some may say, the Kakaako aquarium is a research facility. But if you look at the architectural design, at renderings, you will see tourist and kids gazing at the tanks. That seems to be the same customers targeted by the Ko Olina aquarium. They believe that the facilities in Kakaako, as well as Ko Olina, can survive economically. Sounds fishy to me.

"The Ko Olina aquarium is riddled with problems. From its financing to its target audience. We were elected to be responsible stewards for the people's money. This tax credit is a step in the opposite direction. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I rise in strong support. As everyone here knows, the people on the Leeward Coast have often been forgotten about in developing economic stimulus. We on the Leeward Coast don't have the luxury of having a number of jobs at our fingertips. We don't have the luxury of having job training at our fingertips, and the other economic stimulus that many other areas experience. This project will provide jobs and it will provide job training. And it will strengthen the entire economy on the Leeward Coast.

"As the previous speaker mentioned, there are many of the positives that the project is offering. It is true that we do need to look at tax credits very carefully, and if we do dispense them, do it very responsibly. But I believe this project will provide many benefits and will allow many people to help themselves on the Leeward Coast. So I think the State is well intentioned in assisting this project. Thank you, Madame Speaker."

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

"Thank you Madame Speaker in support. You've heard a lot about the economic difficulties on the Leeward Coast, and it is a fact. This project will provide many, many jobs. Not only during the construction phase but later. Because as you've heard, most of the people hired for these positions come from there. They live right there. They'll run the resort, run the aquarium. They live there.

"You've heard about two aquariums. Well the one in Kakaako is designated mostly for research, not for tourist. Yes, people will go to see both, but the one that we are talking about at Ko Olina is for tourist. Robert's Hawaii, people staying at the resorts, those folks they will go there for enjoyment, for recreation.

"You know, this aquarium land is owned by the Weinberg Foundation. It is not costing the State anything. Weinberg has just recently made a deal to buy the Makaha Inn, which keeps going in and out of bankruptcy and closure. No jobs again. They'll use that Inn. They will convert it to an operating hotel again, but a hotel operated and run by people that live there, for the purpose of training the people that live there, on how to operate a hotel or a resort. That is from the kitchens to the maintenance, everything. The management. It will be people that live there. That is a job, again. Then they can move to the other resorts.

"For those of you who still may not be convinced, think about the traffic we have everyday coming to town here. If you have some of the people from Waipahu, maybe even Mililani, turning right instead of left each morning, wouldn't that be nice? Keep them off the freeway because there will be jobs locally. They won't have to come into town. Even if it is not so local, if it is from Mililani, at least to go in the other way. They are going west instead of east every morning. So there are many, many factors involved with this.

"And you heard, "Yah, the developer says they'll build it anyway." It is just that it will be built much slower. Maybe he'll build it over the next 15 to 20 years. We need some relief now. If you provide tax credits, if you do it the right way, you'll get more back in your economy. You are not losing money. You are gaining more money in the long run. So I am supporting it. We'll see what comes out of Conference, but I hope that you all look at it carefully."

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

"Thank you, Madame Speaker. I rise in opposition and I want the words from the Representative from Salt Lake in the Journal as my own," and the Chair "so ordered." (By reference only.)

Representative Evans continued, stating:

"And I want to add a couple comments on that haven't been mentioned yet. One is about, I believe, that I have concerns that we're giving out a lot of tax credits. When I came to the Legislature this Session, what I was really hoping for is that we would be really focused on diversifying the economy. And what I've seen so far, and with this bill, we are saying we support tourism. And we keep supporting tourism. And what I would like to see is if we are going to give out tax credits, we do it to other industries emerging, growth industries in the State.

"I like the idea with Act 221, and the bio-technology. I thought that was an area that maybe we'd see something. Also with the University of Hawaii. I think education is a growth industry. I was hoping that something would happen there. What we are seeing is there is not going to be any growth in either one of those areas. So I just want to say that I am in opposition that we are throwing more money towards tourism.

"The other thing I want to talk about is, why is this developer coming to us and asking us to help him out? Is it because he doesn't have patience? That if he invests now, it may take 10 to 15 years to get a return on his investment. Does he want it in 5? Is he asking that to help him get a faster return?

"The other thing from this that disturbs me is the cost of construction in Hawaii, and that maybe what we really need to be addressing is why we pay so much money on planning and design. And then how much it costs just to construct. And if we address those issues, maybe people wouldn't be coming and asking us for tax credits. Thank you."

Representative Kaho'ohalahala rose to speak in support of the measure with reservations, stating:

"Thank you, Madame Speaker. I am rising in support with reservations. I think as was stated earlier, that during the Finance Committee hearing, the developer did make presentations that he would be creating 10,000 construction jobs and 2,000 permanent jobs. My reservations come in the area where the developer was asked whether or not those 2,000 jobs will in fact go to the Leeward Community and residents. That was an assurance that could not be made by the developer.

"Many of us have seen the transition of communities, whether they're plantation communities, or resort developments, and all of them have come with the same promise that the intention is to provide work for those communities that need them the most. And in fact, as you visit those same communities that have transitioned into resort destinations, you will find that many of those jobs that are currently in those resort areas are employing people that no longer are from the community.

"So I think that if this is a well-intentioned project that indeed, is in fact, going to help support a community. And what was made in statements is the Leeward community, then I think that the developer should take it to the next level and assure that those jobs, in fact, will stay in the community it intends to serve. And if that cannot be made, then that is my area of caution.

"The other fact that was made by the developer as well, was that of the 2,000 permanent jobs, he could not assure or he actually did confirm with me that those jobs will be the highest paying jobs. So in fact, we are looking at 2,000 jobs, perhaps most of which will be slightly above minimum wage. And this is a fact that we all can recognize that in this industry, in the tourist industry, most of those service jobs are not going to be the best paying jobs. But I asked the developer if he would now want to take a look at that structure and in fact, provide this community with the kind of pay that they truly need. And that in keeping with that, when you look at all of the supervisory levels within this industry that, that kind of assurances will be made. That we are not only looking for a community to be employed, but we are looking for a community to be paid well in this industry. And we are looking for the kind of jobs that allow them to elevate within this industry so that they can look at jobs that aren't going to just keep them in one place. And we find that the supervisory positions are those that are coming in and are transition. And look at the major hotel chains that are involved and look at their structure in how they operate today not only in Hawaii, but elsewhere. So it's those areas of concern that I have that were not really assured us in the discussion in Finance that I rise with reservation.

"On a third point that I'd like to make. I did bring up the fact that in Hawaii, this is our number one industry. And if we continue to point in this direction, then there are some issues that I think we need to take a hard look at in terms of policies. I raised some of the interesting points that came about in a book that's called, *The Devil's Bargain*. And here is where the industry of tourism is being described in America and in fact the book starts talking about the beautiful island of Maui and it's success in this resort and tourist industry. But in the book it clearly states that if you choose this industry, to be our industry, there are a few givens. And these are the areas that I would like us to seriously consider as policymakers.

"The givens are these: One, the beautiful attraction to these places that today are major resort development areas will be changed from their original attractions. And here again we

look at Ko Olina. We're building a new area and the big attraction here is to build the aquarium. Now, if you look at the developer's proposal for the aquarium, it paints a beautiful landscape of pools and reefs and wrecked ships and I think, my goodness. Here we are, an island state with the most beautiful resources all around us. But to make this industry work, here's an example what it says in *The Devil's Bargain*. That we have to re-create an attraction of what we currently, already have, naturally."

Representative Lee rose to yield her time, and the Chair "so ordered."

Representative Kaho'ohalahala continued, stating:

"Thank you, Representative. The second part of *The Devil's Bargain* says that it is those people who are normally of these localities that are going to suffer the largest impacts. One is that they are probably going to be the one's that are going to be given the menial jobs, and in fact that's what we're talking about in these 2,000 jobs.

"Third, it says that when you look at the industry itself, most of the ownership of these industries are corporate offices that are based elsewhere than their actual location. So most of the money gained in this industry is going to be exported from the place that should benefit from the resort itself. That's another given.

"And if finally, it says, that when things don't appear to be profitable any longer, or there is no need, or there is no expectation to re-create any further, that the industry and the owners will pick up and go to the next new attraction somewhere else, thereby leaving a community in a demise sometimes. So I think that given the fact that these things are known in this industry, the book also paints that the only real successful example of this industry in tourism is Las Vegas. And why? Because Las Vegas can create any fantasy, and any attraction that will bring the people to its location. And that's its success.

"Now in Hawaii if we continue to move in this direction, what we are indeed saying is that we have adopted an industry that is going to, in the very end, be our demise. So given that fact, it's caution that I think we should be thinking about. It's redirecting this industry so it does not actually display and fulfill it's own 'devil's bargain'. So, I would ask this Body to really consider. It's not just the Ko Olina project. It's what we choose in Hawaii. That perhaps that this is one place that we can put it to our Body here and ask for some serious reconsideration about where we are leading our State of Hawaii, and should we not be looking at other economies. Thank you."

Representative Ching: Thank you Madame Speaker. With reservations and the words of the Representative from Kahala as my own.

Representative Shimabukuro: Madame Speaker. In support and I'd like the words of the speaker of Lanai, Kapolei and the Nanakuli inserted as my own.

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 377, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Caldwell, Evans, Hale, Leong, Marumoto, Morita and Thielen voting no.

The Chair directed the Clerk to note that S.B. Nos. 325, HD 1; 354, SD 2, HD 2; 1399, SD 2, HD 2; 635, SD 2, HD 2;

919, SD 1, HD 2; 931, SD 2, HD 2; 1460, SD 1, HD 2; 377, SD 1, HD 2; passed Third Reading at 1:57 o'clock p.m.

At this time, the Chair announced:

"Before we move on, Standing Committee Report No. 1494, S.B. No. 1088, SD 2, HD 2, will be moved to the end of the calendar.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1494) recommending that S.B. No. 1088, SD 2, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, the report of the Committee and S.B. No. 1088, SD 2, HD 2, were deferred to the end of the calendar.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1493) recommending that S.B. No. 1629, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1629, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1495) recommending that S.B. No. 1172, SD 2, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1172, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AIRLINES," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1496) recommending that S.B. No. 1333, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1333, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF OFFICIALS IN THE JUDICIAL BRANCH OF STATE GOVERNMENT," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Thielen voting no, and Representative Herkes being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1497) recommending that S.B. No. 1619, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1619, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I'd like to register reservations on Standing Committee Report 1497. This is the same type of bill that we just had a lot of discussion on and we could probably repeat that for this measure as well. But I just simply want to register my reservations, and that I have and look to see what happens after Conference Committee. Thank you."

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

"Madame Speaker, I rise in opposition to this bill. Madame Speaker, Hawaii would be well served by a world class racing track, but here again, we are contemplating a tax credit for a specific project. Taxpayers are being forced to invest \$50 million in this motor sports track. Turning a profit on racing in Hawaii is riskier than being behind a wheel of an Indy car. Just look at racing's recent track record.

"First the Hawaii Super Grand Prix in 1993 was supposed to be a world class event around Aloha Stadium, but a year later, organizers were in Bankruptcy Court facing debts of up to \$10 million. Then in 1999, the Hawaii Super Prix in Kalaeloa. It was billed at the richest motor sports race ever. Well that effort quickly ran out of gas and litigation continues until this day in Bankruptcy Court. Why isn't the developer of this project going after a special purpose revenue bond?

"Effective tax credits benefit a broad audience rather than specific projects. The State is seeing more special interest tax credit requests and it is becoming the first choice of financing businesses. This project is not attractive to private investors so it shouldn't be attractive to taxpayers. Thank you, Madame Speaker."

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

"In support. To address the previous speaker's concerns on the Hawaiian Super Prix and the previous other races that were failures in Hawaii, many of the causes for those failures were because they had to do it on a temporary track. As envisioned by its supporters, this facility would include multi-purpose driving surfaces, safety barriers and fencing, training and educational facilities, safety and medical facilities, and participant and spectator accommodations.

"It is documented that motor sports has a wide appeal to many citizens here and across the United States and the world. It is by far the largest spectator sport in America with major economic impacts in cities and locales where these motor sport events are held. The benefits of these site-specific proposals are numerous. Let me just cite a few.

"Number one, this facility will provide a safe alternative for racing enthusiasts who presently use our public highways and freeways for street racing. It seems like a daily occurrence that a traffic fatality involving our youth and some times innocent bystanders happen on our public roads. The Honolulu Police Department is in support of this measure for this very reason.

"Number two, a part of this facility will be dedicated to education and training purposes. This will include education and training opportunities for racing advocates from around the world, as well as our young people interested in automobile mechanics and recreational racing. It will also include facilities for training of employees of State and county public safety agencies.

"Number three, while the precise amounts are not yet determined, this facility will present a major and sorely needed investment in our Leeward coast and the area of our highly

touted Second City of Kapolei. This proposal will bring millions of dollars in construction cost and many construction and full-time permanent jobs for our residents.

"Number four, motor racing and recreation sports is the most popular spectator sport in America. It has had major economic impacts in cities and locales such as Las Vegas and Dade County in Florida where major racing events take place. Thousands of racing enthusiasts from across the country are attracted to these events contributing millions to the local economies for accommodations, food, entertainment and race related expenses. Many of you have probably watched on television the latest on Sunday, the Winston Cup race at the Talladega. And if you can look into the stands and see the thousands and thousands of people who travel from all over the world, all over the country, just to be there.

"I've been to the Daytona 500 and the Long Beach Grand Prix in Los Angeles, and nothing compares to the excitement of being there, live. The adrenaline rush and the excited people that are there to enjoy the races. This facility can be a major boost to our visitor industry providing another visitor attraction acting as a magnet by attracting more visitors who might not otherwise visit Hawaii. While it is not guaranteed that 'if you build it they will come', these racing fans will not come to Hawaii if there is no racing. And there cannot be any major racing event unless there is the type of modern state-of-the-art racing facility envisioned by this measure.

"This facility will open up opportunities for major NHRA drag racing, NASCAR, CART and other racing events. Will they come to Hawaii? They already fly to Japan, Macao, all over the United States and Europe. I believe they would love to race in Hawaii if we had a first class racetrack. And like the Pro Bowl and our golf tournaments that are televised around the world, so will Hawaii the destination be featured on worldwide television for the length of the race.

"Today tax credits are being viewed in a negative light. They are accused of reducing our tax revenues in a time of sorely needed revenues, however this measure will not reduce any revenues which we are presently enjoying. What it will do is encourage investment to generate additional revenues in the future. Thank you, Madame Speaker."

Representative Kahikina rose in support of the measure and asked that the remarks of Representative Chang be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"Madame Speaker, I have some slight reservations on this measure but I will support it. But like the previous speaker said, perhaps special purpose revenue bond might have been more appropriate. But I do believe this is a growing industry. I had a problem with, in Committee when we saw this it had a public safety feature to this measure. Now that the Finance Committee has seen the wisdom of taking off this aspect of it, I will vote for the measure. Thank you very much."

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

"Thank you, Madame Speaker. First of all, I would like the words of the Representative of Salt Lake entered as my own, with reservations.

"I also have a few more concerns that I would like to mention. In Committee, we were not, or at least when I was present, we were not presented with any hard facts or proof of

commitments from investors that if the project did receive the tax credit, that they were definitely committed in investing.

"I asked in Committee about the permanent jobs that this project would create, and I was told by the proponent that it would create approximately 150 permanent jobs, and that was of concern to me. That we would give \$50 million tax credit to create 150 permanent jobs. Like I stated with the previous tax credit that we were discussing, we need to look at each of these tax credits and decide on them in a responsible manner.

"My last concern had to do with the public safety portion of the bill where it's being stated that this facility would reduce street racers on our freeways. Again, I haven't seen any hard facts or proof that in states where they do have these facilities, that their numbers of street racers has been reduced. Thank you."

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

"Thank you, Madame Speaker. I rise in support with reservations. I'm going to drive this Body in a different direction because my reservation actually has to do with the plan as follows. The purpose of SB 1619, SD 2, HD 1, is to establish a motor sports recreation facility in Parcel 9 at Kalaeloa. The plan is as follows: Campbell Estate will sell at Kunia, property to the developer of the motor sports facility. The developer will then swap the Kunia property with the Department of Hawaiian Home Lands, the current owner of the Kalaeloa site that the developer wants to build that motor sports facility on. DHHL plans to build a residential unit on the property it acquires in the swap.

"Madame Speaker, what concerns me is that the property in Kunia is agriculturally zoned and already is in productive use. By passing this bill, we will sign in on a project that will result in the loss of valuable productive agricultural land. I believe this violates a constitutional mandate to protect our ag lands. Agricultural jobs will also be lost in the process.

"Second, the agricultural land that DHHL plans to develop housing on is practically the only large open undeveloped site in the Waipahu/Kunia area. If you drive along Kunia today on the way to Haleiwa to see these open spaces, all you see is houses on your right side. And further on in Kunia you will see more houses called Kunia or Royal Kunia. Those particular developments will only increase if this project is to proceed. Although I support the intent, which is of 1619 which is to encourage the development of a world class motor sports facility in Hawaii, a facility that will produce jobs and income for the Leeward area, I am very strongly opposed to the loss of the productive agriculturally zoned land in the open, undeveloped spaces that are not only esthetically pleasing, but solitary and necessary for our psychological health.

"The Kunia site is practically the only space left in the area. It would be unfortunate to replace that empty space with more urban sprawl. I do urge the developers of this motor sports facility and the DHHL to find another way to make the motor sports facility a reality. And I also urge this Body not to pass this bill until such a plan is found. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. In support with reservations. First of all, I'd like to ask the words of the Chair of Tourism to be entered as my own. Also the words of the Representative of Waipahu," and the Chair, "so ordered." (By reference only.)

"My reservation is the same thing that we've talked about, the land swap. DHHL owns the land currently where the raceway would go at Kalaeloa, the former Barbers Point. DHHL needs land where they can build homes. They don't want to build it at Barbers Point, Kalaeloa, because of many factors involved there. Now if they swap the land for the land in Kunia, and first I have to ask for a possible conflict of interest both areas are in my district," and the Chair ruled "no conflict."

Representative Moses continued, stating:

"Thank you. The Kunia land is under ag zoning right now. It is prosperous. About 66 people, I think, work there. I'm not certain that DHHL when they gain that land, would actually build homes on it, although they could or they would maybe rather keep the leases or renegotiate the leases but at least have some income, because I know DHHL is looking at that. So what we need to do is figure out are there going to be homes built on that land in Kunia? Is it going to stay in ag production? We don't really know and I haven't been able to get an answer on that yet. What I hear from the proposed developer of the raceway is that there is other lands that Campbell Estate owns and it's not necessary that that particular Kunia spot be the spot that is transferred with this negotiation. It could be something else. So I think we need to find that out.

"I don't have any problems with actually building the race track per se, and I agree that it probably bring in a lot of tourists and other assets to the State. Not to mention our picture being all over the national news and international news when those races take place. I earlier had another reservation and that was there was promoted as being something for public safety, but we never had the police come forward and say anything about it. They finally did in Finance Committee. Thank you."

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

"Madame Speaker. With strong reservations and the words of the Representative from Salt Lake as my own," and the Chair "so ordered." (By reference only.)

Representative B. Oshiro rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"Thank you, Madame Speaker. In strong support. And would like that the words of the Tourism Chair to be inserted in the Journal as own," and the Chair "so ordered." (By reference only.)

Representative Kanoho continued, stating:

"Additionally, to comment that this does fulfill a public purpose in there to the requirement in special purpose revenue bonds. And just a clarification on that point. Chapter 39A which governs special purpose revenue bonds only covers seven categories, and would not include the Ko Olina project that we previously discussed, nor would it encompass construction of a motor sports facility. So it would not be possible to apply or qualify for a special purpose revenue bond. But however as is in the case of special purpose bonds, the Legislature, all they need do is designate and indicate that this does fulfill a public purpose. And I do believe that it does that in terms of making our highways safer and in terms of producing the economic benefits, the tremendous economic benefits, that it would derive. Thank you very much."

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

"Madame Speaker, because of the concern for the ag land, I would like to go with reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1619, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 39 ayes to 11 noes, with Representatives Blundell, Caldwell, Evans, Finnegan, Fox, Halford, Kaho'ohalahala, Meyer, Morita, Thielen and Wakai voting no, and Representative Herkes being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1498) recommending that S.B. No. 855, SD 1, HD 2, as amended in HD 3, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 855, SD 1, HD 3 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In strong support. I just want everybody to note that this is one of the few, and might be the only tax credit that has gone through an economic cost-benefit analysis. And for every dollar that we spend on this tax credit, the State gains a \$1.82 in tax revenues. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 855, SD 1, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1499) recommending that S.B. No. 1070, HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1070, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker. I am rising in opposition to Standing Committee Report 1499. This has to do with workman's comp examinations for determination of permanent impairment. This bill requires employer requested medical examinations for workers' compensation cases involving the determination of permanent impairment to be performed by a physician selected by mutual agreement of the parties. That would be the employer and the claimant who is an employee.

"I'm not supporting this bill because the employer pays for the independent medical examination. And as he pays for it, he should be able to retain the doctor of his choice.

"This bill, also the way it's written, introduces bias and delay into the process by requiring the claimant's attorney to approve the choice of the examiner. The employee could effectively exclude any physician who he perceived would give an opinion contrary to his present treating physician. The whole workmans' comp arena seems to be somewhat slanted to the benefit of the employee. The only thing that did sort of level to the playing field was that if the employer did not think that this was a permanent problem he could hire this examiner and this

bill now takes that away. So for those reasons I will be voting no. Thank you."

Representative Blundell rose in opposition to the measure and asked that the remarks of Representative Meyer be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1070, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATIONS FOR THE DETERMINATION OF PERMANENT IMPAIRMENT," passed Third Reading by a vote of 37 ayes to 13 noes, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Stonebraker and Thielen voting no, and Representative Herkes being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1500) recommending that S.B. No. 946, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 946, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker. I have a passage of this bill, SB 946. At long last *tutu* and *tutu kane*, grandparents have some recognition. Hawaii has long had a tradition of *hanai* children, where persons, frequently relatives, raise children for protracted periods. Our current laws do not readily accommodate these traditions. For instance, only parents, legal guardians, or legal custodians can enroll a minor in school. Well with this measure caregivers can now deal with schools. Hooray for *tutu* and *tutu kane* after many years of lobbying, some success. *Mo'opuna* and *keiki* are grateful. Thank you."

Representative Kahikina rose in support of the measure and asked that the remarks of Representative Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 946, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER CONSENT," passed Third Reading by a vote of 50 ayes, with Representative Herkes being excused.

The Chair directed the Clerk to note that S.B. Nos. 1629, SD 1, HD 2; 1172, SD 2, HD 2, 1333, SD 1, HD 2; 1619, SD 2, HD 2; 855, SD 1, HD 3; 1070, HD 1; 946, HD 2; passed Third Reading at 2:19 o'clock p.m.

At 2:19 o'clock p.m., Representative Schatz requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:20 o'clock p.m.

At this time, the Chair announced:

"Members, we are moving on to page 11. At the bottom of the page, Standing Committee Report No. 1508, S.B. 44, SD 2, HD 2, will be moved to the end of the calendar."

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1508) recommending that S.B. No. 44, SD 2, HD 1, as amended in HD 2, pass Third Reading.

By unanimous consent, the report of the Committee and S.B. No. 44, SD 2, HD 2, were deferred to the end of the calendar.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1501) recommending that S.B. No. 373, SD 1, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 373, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed Third Reading by a vote of 51 ayes.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1502) recommending that S.B. No. 78, SD 2, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 78, SD 2, HD 1 pass Third Reading, seconded by Representative Lee.

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

"Madame Speaker, if we could go back to 1502, SB No. 78, SD 2, HD 1, Relating to Elder Abuse. Madame Speaker, I rise in support with reservations. The intent of this bill is to protect elders. I'm afraid however that I can't support civil penalties as the means to do this. I do support criminal penalties. The reason why I do not support civil penalties is the way that it will affect our ability to keep or maintain homes for the elders that we are trying to protect.

"My concern has been, and first I would like to really thank the Chair of Judiciary and the Vice Chair, on their work on the bill. When SB 78 was first referred to the Committee, the measure contained an overly broad definition of abuse and harsh civil remedies for abuse and neglect that included triple damages and attorney's fees and costs, and the ability of people outside of the Attorney General to file lawsuits on behalf of victims of abuse.

"In the testimony before the Committee, the Attorney General's Office noted that they enhanced civil remedies proposed by the bill would threaten the financial viability of caregivers. At a time in the evolution of our State when we need to provide more such facilities and care. This was my concern on the House bill and again is my concern in this Senate bill. That the enhanced civil remedies coupled with very broad definition of neglect would almost certainly increase the cost of general liability insurance. Already the sky rocketing cost of liability insurance is making it difficult for care providers to remain in business. For example, on the House bill that we heard I noted that for a \$100,000 worth of coverage it would cost a nursing facility \$140,000 to obtain.

"Now people 70 years and older make up the fastest growing segment of our population, and this should concern us. This is our elder population and we have more and more of these people who we need to protect from abuse. We need to encourage, however, the growth of long-term care industries so that it can keep pace with such growth in demand for the services. And to this day although I am voting with

reservations in this particular measure, it is my goal, it is my concern, to provide our elders a place to live.

"The definition of abuse in this measure is still troubling however it is still too broad, particularly with the respect to the word neglect. Neglect can encompass a lot of things, it may even encompass things such as self-neglect, losing weight, things like the progression of losing weight which progresses into ulcers, these are neglect according to the bill.

"Most care providers do provide excellent care and legislative action in this area needs to work like a surgical laser targeting the bad and not adversely impacting the good. I'm afraid that what we have is a little too much of a shotgun approach. Thank you, Madame Speaker."

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

"I rise in support with reservations. I appreciate the wisdom of the Representative from Waipahu and his expressions and I share the same reservation. I'm hoping we can remedy this vehicle during Conference at which time I'll reserve my vote at the final stage."

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

"Madame Speaker, I rise in support. My reservations go to the same as the speaker from Waipahu."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative B. Oshiro rose to speak in support of the measure, stating:

"Thank you, Madame Speaker. I rise in strong support. Thank you very much. Actually when the Judiciary Committee heard this, what we did was we separated out the two definitions of abuse and neglect. So people look on page two of the bill, we specifically define what abuse is versus neglect, which is found on page six. And neglect is actually set forth as a reckless disregard standard and not a negligent standard. We took care of most of the concerns of the Committee. So I'm surprised to hear some of the comments that we're hearing today. Thank you."

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

"I also rise with reservations. My concern is for a facility that has a single individual staffer that is in violation with some of the damages. I believe the treble damages are still included. I fear that a good facility could be painfully hurt because of an individual staff. I would hate to see facilities being shut down. We know from the insurance companies that this would indeed drive up the cost of insurance and so with these reservations, I hope to see a better form come out of Conference."

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

"Madame Speaker, I rise in support and I have some written comments for the Journal. I'd just like to say that I think we have to remember who it is that we are protecting here," and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This bill will allow the State Attorney General to seek civil penalties in dependent elder abuse cases.

"In recent media reports there have been some disturbing cases of elder abuse in Hawaii. The vast majority of elderly are properly treated with aloha and professionalism, but for those unfortunate few elderly that fall prey to neglect it is only right that society hold those responsible to account.

"At the same time, the State needs to be cautious and fair when exposing caregivers to risk of civil penalties. If the risk is seen as too great it is possible that insurers will demand higher premiums from the caregivers, and this could price the care out of reach for the elderly or force the caregiver to leave the business altogether. With our rapidly expanding elderly population, these are also both unacceptable outcomes.

"This bill no longer contains a provision for private lawsuits. It was deleted due to the concerns of many testifiers, including the Attorney General, that such suits would be unfair and insuring against the suits would be too costly for the caregivers. However, the bill before us will still provide the Attorney General with an effective tool to pursue those who abuse our elderly physically, sexually, mentally, financially or neglect to provide proper care. The penalties are significant, and many caregivers support the bill because it will help to weed out the few among them not upholding high standards of care.

"I urge my colleagues to vote "aye" on this measure. Thank you."

Representative B. Oshiro rose to respond, stating:

"Thank you, Madame Speaker. I stand in strong support again. Just to clarify some of the comments by the prior speakers. Actually, this did take out the treble damages. We are just leaving the discretion to the Attorney General when they feel the abuse and the neglect is so egregious that they want to go forth with civil penalties. Thank you."

Representative Sonson rose to respond, stating:

"Since we are pointing out specifics in the bill, I'd like this Body to note that there is no treble damages. But it does call for \$500 to \$1,000 a day for as far back as when the abuse has taken place. That is very scary. If you put that out into the community, although it is not attorneys outside doing it, and it is the Attorney General doing it, it doesn't really matter. Civil penalties will definitely make sure that a lot of our elders that we are trying to protect are going to be out there not having a place to live.

"We have a shortage of beds already. Our hospitals and acute care facilities are filled with people that should be going to nursing homes or homes outside and the RAC facilities that are sorely under-funded. We don't need another measure that will make sure we put them out on the street. The intent is good, yes. We want to make sure that our elders are protected. I am telling you Madame Speaker, that this bill with civil penalties, it doesn't matter who is going to enforce it. If it is going to cost money, and if we are going to require facilities to have insurance, then let's make sure that it does not impact our ability to provide those homes. That is the point.

"Civil penalties will not work in this area. As a plaintiff's attorney, I would welcome civil penalties. But in this case, I care not for money in my pocket, but I care more for those people we are trying to protect. I want this Body to understand that insurance is very hard. Very, very difficult to obtain. Thank you."

Representative M. Oshiro rose to speak in support of the measure, stating:

"Madame Speaker, rise in strong support. Madame Speaker, but for these types of laws to protect the most vulnerable in our society, they would probably be abused and exploited. And that is the reason behind this measure. It started off as model legislation that is being brought through different Legislatures throughout the nation to address the needs of the most elderly, most vulnerable, in our society. I was a little disappointed at some of the changes that were made, but I understand the concerns especially from the prior speaker from Waipahu, as to the effect it can have upon the small business operators who do take care of elderly.

"I'd like to point out and I'll impress upon this Body that this will only apply to those that have abused their privilege, abused their responsibility, of caring for these elderly in their homes. And this civil penalty is the punishment for violating the trust that is given to these most vulnerable in our societies. So with that I think this should move forward and we should watch this measure as it comes back, and hopefully get all in support on the Conference draft. Thank you."

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

"Thank you, Madame Speaker. I feel this bill is a very good compromise. It strikes a balance between looking out for our elderly and also taking the care home operators' considerations. So I strongly support it.

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

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

"Madame Speaker, I rise in support of this measure. I have brief comments. I don't understand how the insurance argument really fits into this bill. Notwithstanding the fact that it provides for civil penalties, I would assume that the insurance rates for facilities like this are set on a national level and not necessarily within the State of Hawaii, or within a particular region within the State of Hawaii. In many instances, insurance rates are set based on national statistics and national at-risk type standards.

"The second point is that to the extent that the abuse or the death of a patient arises from an intentional act, the insurance policy wouldn't cover the care home in the first place. Insurance policies do not generally cover intentional acts. For those reasons, I support this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 78, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELDER ABUSE," passed Third Reading by a vote of 51 ayes.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1503) recommending that S.B. No. 1594, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 1594, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON WATER RESOURCE MANAGEMENT," passed Third Reading by a vote of 51 ayes.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1504) recommending that S.B. No. 1051, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1051, HD 2 pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In opposition. I believe that such questions as the speed of one of these vehicles on the sidewalk, or whether it should be on the sidewalk at all, are the kind of decisions that are best left to the counties and shouldn't be legislated in this Body. Thank you."

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

"Thank you, Madame Speaker. I am rising in opposition to this bill. Thank you, Madame Speaker. This bill would allow the Segway to be operated on our sidewalks and in the evening hours. The Segway is a self-balancing two non-tandem wheel device designed to transport only one person. And it has a quiet electric propulsion system. The quiet system means that you don't hear it overtaking you. If I may quote from the testimony from the Department of Transportation who was in opposition to the Segway bill. The Department stated:

A fully loaded Segway device weighs 333 pounds. The bill has an 8-mile per hour speed limit, but 8 miles per hour is twice as fast as a typical pedestrian. 8 miles per hour is equivalent to a 7.5 minute mile, which is significantly faster than a typical jogger.

"There may be some Members in the Legislature that can run a 7.5-minute mile, but I'll bet they don't weigh 333 pounds. This is like allowing a 333-pound gorilla to be on our sidewalks quietly running, and all of a sudden coming into contact with a child. I would imagine the gorilla would just flatten that child.

"There is a speed limit of 8 miles per hour. I just can't believe that our high-tech kids wouldn't be able to override that speed limit and then we are going to have them being able to go the maximum of this Segway, which I believe is around 25 miles or maybe even faster.

"The other thing is that there is an age limit, 16 years old and older. I think teenagers on a Segway, even at 8 miles per hour on the sidewalk, and in the dusk, can be highly dangerous to our pedestrians. I just don't think it's a good idea, Madame Speaker. I know that the Segway is a very pricey toy, but I think it could also be a very pricey, dangerous, lethal toy. Thank you."

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

"Madame Speaker, I rise in support. Madame Speaker, the Segway is not designed as a pricey toy. It is designed as an alternative mobility device for people to get around. The idea of how it would be used in a place like downtown Honolulu would be for our elderly, who maybe do not want to drive anymore, that live in the urban core and would like to get to the supermarket or just down the street for a cup of coffee. These Segways are small enough that they can be fit into an elevator and taken up to their apartment.

"It's an incredible engineering vehicle. It is pretty amazing to see how its operated. I can't see teenagers wanting to go use a



Segway so they can speed around town at 8 or 20 miles an hour. The choice between a Segway and a motorcycle, they are going to choose a motorcycle any day. This is something that is going to provide an alternative to cars. It is something that we need in our urban core. It is futuristic. It should be supported and not killed. We should be supporting this kind of device. Thank you, Madame Speaker."

Representative Thielen rose to respond, stating:

"Yes, Madame Speaker. I am sitting here just chuckling at the comments of the colleague from Manoa. I mean coming down to the urban core on the sidewalks and riding along on one of these with heavily trafficked, pedestrian-filled streets is nuts. And you are not going to use the Segway to go to the market and pick up your groceries unless you can put on a backpack that is going to hold all of your groceries. I mean, this just doesn't make sense. The concept that kids won't leap on to these kinds of vehicles, well it is a pricey toy. If the parents buy the pricey toy then the kids may have access to it and I don't think that it really makes sense for them to be on the streets with this vehicle.

"The dusk and nighttime issue makes me very concerned and again, if you are mixing it with pedestrians, it doesn't make sense, Madame Speaker. Someone is going to get hurt and I'll put my ... I am not a betting person so I won't bet it. But I would say that the person that would get hurt. When you put a 333-pound mobility device against a child, or an elderly person, you know who is going to get run over. It is not the Segway. Thank you."

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

"Madame Speaker, I rise in support and I have some written comments for the Journal. But I think as this bill goes forward, then I think the safety concern is a real one. The fact that they are quiet, the fact that helmets are not required, and the fact that actually they are taking up a lot of space on the sidewalk that is really meant for pedestrians."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This measure allows for personal assistive mobility devices to be operated on the sidewalks and bicycle paths of the State. I have some reservations about these devices, but I feel they should be given a chance to succeed or fail on their own merits or demerits.

"These devices, more commonly known as Segways, are technological marvels that are yet another example of a situation changing faster than the statutes are able to keep up. Segways are so new that not much is known about them beyond the information provided by the manufacturer. For that reason this bill is a worthy first attempt to balance the desire to incubate this emerging form of transportation against the need to keep our road and sidewalk users safe.

"The bill provides for some conditions that must be adhered to by Segway operators, and limits the operators to people at least 16 years old. These conditions, coupled with the rather steep cost of the units, I believe will allow the Segway to safely begin to gradually mix with existing forms of traffic and at that time it will become apparent if the regulations are appropriate or need to be amended.

"It is possible that the Segway will prove itself a safe and useful addition, in which case traffic may be relieved and users will have the convenience the machine is capable of providing. On the other hand, if it becomes apparent that the integration of

these devices is the cause of too many safety concerns and citizen protest, the Legislature should react accordingly.

"I urge my colleagues to vote "aye" on this measure. Thank you."

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

"Thank you, Madame Speaker. I rise in opposition to this measure. I don't know if everyone in this Chamber had the opportunity to ride on one of these Segways. They are not the easiest thing to operate. They are a little bit tricky because you have to use your weight, leaning forward and backwards. The idea of a 75 year-old elderly person trying to maneuver one of these is sort of incomprehensible to me.

"The Representative from Kailua made a very good point at the weight. When you get on them you can feel how heavy they are, they have gyroscopes on the bottom. And if you have ever been in a grocery store, Madame Speaker, and had somebody hit you with a grocery cart that weighs a fraction of that, it is pretty uncomfortable. And the idea of having one of these quietly and hit somebody because they did not lean back fast enough to stop it, somebody could get injured very badly. Thank you, Madame Speaker."

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

"Madame Speaker, I am strongly in support of Segways. I have asked some of my colleagues on this side whether they had tested it and got some negative answers. But what was really surprising about this new technology is that it is very difficult to run into somebody or something and hurt yourself, because, I don't understand the technology, but when it hits something, it stops. And so there is apparently no injury to a person or property. I thought that was fascinating and I strongly support this new device."

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

"Thank you, Madame Speaker. I rise in opposition. I just feel that the sidewalks are for pedestrians. We don't even legally allow bicycles on the sidewalks, and I think they should be restricted to pedestrians only. Thank you, Madame Speaker."

Representative Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1051, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL TRANSPORTATION," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Blundell, Bukoski, Fox, Halford, Leong, Meyer and Thielen voting no.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1505) recommending that S.B. No. 830, SD 1, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.B. No. 830, SD 1, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS," passed Third Reading by a vote of 51 ayes.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1506) recommending that S.B. No. 58, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 58, SD 1, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Schatz rose to disclose a potential conflict of interest, stating:

"Thank you, Madame Speaker. I request to be excused from voting on 1506, S.B. 58. I am the Executive Director of one of the two non-profits that are named in this bill," and the Chair ruled, "You are excused."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 58, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," passed Third Reading by a vote of 50 ayes, with Representative Schatz being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1507) recommending that S.B. No. 1647, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1647, SD 2, HD 2 pass Third Reading, seconded by Representative Lee.

Representative Kahikina rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Kahikina's written remarks are as follows:

"Visually Blind: This measure is a parity bill that would allow the sight impaired citizens of our society to enjoy equal access to news and other information like the all of us who can see."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1647, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICES FOR INDIVIDUALS WHO ARE BLIND OR VISUALLY IMPAIRED," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 373, SD 1, HD 2; 78, SD 2, HD 1; 1594, HD 1; 1051, HD 2; 830, SD 1, HD 3; 58, SD 1, HD 2; 1647, SD 2, HD 2; passed Third Reading at 2:41 o'clock p.m.

### THIRD READING

#### S.B. No. 582, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 582, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," passed Third Reading by a vote of 51 ayes.

#### S.B. No. 1394, SD 2, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1394, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO

THE INTERNAL REVENUE CODE," passed Third Reading by a vote of 51 ayes.

#### S.B. No. 1395, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1395, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AMENDMENT OR REPEAL OF OBSOLETE TAX LAWS," passed Third Reading by a vote of 51 ayes.

#### S.B. No. 1134, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1134, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT COSTS," passed Third Reading by a vote of 40 ayes to 11 noes, with Representatives Blundell, Bukoski, Finnegan, Fox, Jernigan, Leong, Marumoto, Meyer, Moses, Stonebraker and Thielen voting no.

#### S.B. No. 1274, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1274, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MANSLAUGHTER," passed Third Reading by a vote of 51.

#### S.B. No. 1234, SD 2, HD 1:

Representative Saiki moved that S.B. No. 1234, SD 2, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In support with a little bit of reservations. Again, same argument. Let's all take a look at our insurance for our homes if it evens covers social host liability. I understand what we are trying to do and the intent is very good. But again, the same argument goes to this as anything else. Anytime the civil penalties are attached, just be careful. We may lose our own homes."

The motion was put to vote by the Chair and carried, S.B. No. 1234, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ALCOHOLIC BEVERAGES," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. Nos. 582, HD 1; 1394, SD 2, HD 1; 1395, SD 1, HD 1; 1134, SD 1, HD 1; 1274, SD 1, HD 1; 1234, SD 2, HD 1; passed Third Reading at 2:43 o'clock p.m.

At this time, the Chair announced:

"Members, S.B. No. 459, SD 1, HD 1, will be moved to the end of the calendar."

#### S.B. No. 459, SD 1, HD 1:

By unanimous consent, the report of the Committee and S.B. No. 459, SD 1, HD 1, were deferred to the end of the calendar.

#### S.B. No. 299, SD 1, HD 1:

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 299, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

STANDARDS OF CONDUCT," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

**S.B. No. 614, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 614, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

**S.B. No. 1075, SD 1, HD 1:**

Representative Saiki moved that S.B. No. 1075, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

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

"I am sorry. I am a little confused. Are we on S.B. 1075? Okay, I just have some reservations. This measure may create hardship on 'grass roots' groups that are trying to take on environmental causes or other causes. And it may be difficult for them to pay half of the mediation price. I just hope that the encouragement in this legislation will not be abused to impoverish these groups. Thank you."

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

"I want to support with reservations. I am hoping that we can address some of the issues that were brought up by the Representative of Waianae, in hopes that perhaps in the Final Reading, we can still support the bill. Thank you."

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

"I stand in support with some reservations. And hopefully some of these concerns can be addressed in Conference. It is a dramatic improvement over the Senate draft."

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

"Reservations. Same concerns."

Representative Blundell rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"Thank you, Madame Speaker. I'll just flatly stand and say I oppose the bill. If I may, the cost sharing provision is going to just really put non-profit organizations, and environmental organizations, and community organizations in an unacceptable position. They won't be able to enter into mediation because they would have to pick up half of the mediation costs. Well, with a well-funded proponent such as Hawaiian Electric, they're going to just run up the cost dramatically within a very few days. And that is the cost for expert witnesses, and other types of things that they will do. Any non-profit, any community organization, any environmental organization, would be risking its minimal budget that they have, were they to go ahead and enter into that mediation.

"It just doesn't make sense, Madame Speaker. I mean, the environmental groups have a hard enough time protecting our environment, and now we have a bill that is going to put them into this process that is going to say, "Okay guys. You are

going to potentially be liable for thousands and thousands of dollars."

"If that provision stays in the bill, I would think that bill should never see daylight on the Final Reading after it goes to Conference Committee. By standing up and voting no, obviously I won't be on that Conference Committee. That is fine. I think someone needs to stand in this Chamber and say, "No. That is an anti-environmental bill." Stand up and vote against it now. Thank you."

Representative Ching rose in opposition to the measure and asked that the remarks of Representatives Shimabukuro and Thielen be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Takai rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Hale rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Kaho'ohalahala rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"I rise in support of the measure. Brief comments. I really don't understand the concern about the cost or the potential cost sharing between the parties to mediation. Under the scenario proposed in this measure, it is basically discretionary. If the parties do not want, if the environment organization does not want to participate in mediation then it is not required to. If it does not want to incur any liability or cost incurred through mediation, then it should choose not to participate in mediation.

"In either case however, the environmental organization 'rolls the dice' because if it proceeds with the Chapter 91 appeal, it could very well be ordered to pay 100% of the cost incurred by both parties if it loses before the judge. So I really don't understand what the cost argument is, and I support this measure. Thank you."

The motion was put to vote by the Chair and carried, S.B. No. 1075, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTESTED CASES," passed Third Reading by a vote of 42 ayes to 8 noes, with Representatives Caldwell, Ching, Finnegan, Leong, Marumoto, Schatz, Thielen and Waters voting no, and Representative Arakaki being excused.

**S.B. No. 1496, HD 1:**

Representative Saiki moved that S.B. No. 1496, HD 1, pass Third Reading, seconded by Representative Lee.

Representative Ching's written remarks are as follows:

"Good afternoon, House Speaker Calvin Say and fellow Representatives of the House. I rise to speak in support of SB 1496 regarding the extension of Special Purpose Revenue Bonds for Hawaii Gold Cacao Tree, Inc. from June 30th of this year until June 30th of 2005.

"This will allow our local farmers to successfully capture the cultivation, processing and manufacturing aspects of a \$45 billion chocolate industry, whereas before they could only manage the cultivation portion of the industry. This will be the first time our local farmers can successfully compete in every aspect of this industry.

I believe chocolate represents the greatest opportunity our State has in the agricultural industry. Growth of the Cacao Industry here in Hawaii means more jobs, more tax revenue, and another worldwide brand for our exotic state to be identified with.

"To refresh your memory, Hawaii Cacao Gold, Inc has already begun constructing a cacao processing and chocolate manufacturing facility in the North Kohala area on Big Island. This SPRB enables them to continue ongoing efforts to complete this facility, which will ensure that other local growers to have an outlet for their raw product. This means that our local farmers won't need to send their cacao beans to the Mainland for processing and manufacturing of chocolate anymore. Now they can do it all here in Hawaii

"By having a facility on the Big Island, we are promoting growth of the Chocolate Industry here in Hawaii. We are sending the message to the local farmers on the Big Island that it is feasible to enter this industry. Why should we do this? Chocolate is a huge industry that represents exponential growth opportunities for Hawaii's farmers.

"Currently 90% of Cacao beans are from 7 countries, with 70% grown in only 3 countries – Cote d'Ivoire, Ghana, and Indonesia. With such high concentration, this leaves the world industry vulnerable to supply problems such as political unrest, disease, pests, and mismanagement.

"Hawaii is the only state in the U.S. that can grow chocolate. We have over 100,000 acres available on the Big Island for Cacao cultivation, we have a stable government, and now with a processing facility we can tap into a \$45 billion dollar global industry. Other factors that support these efforts include the new \$50 million Hilo, Hawaii based Pacific Basin Agriculture Research Center, a \$400,000 one of a kind grant from the United State Agricultural Department and the U.S. Army to plant 140 acres of Cacao

"With these facts, I assure you that it is my belief that this bill is a tremendous opportunity to bring Cacao cultivation and chocolate processing into the mainstream of our agricultural industry. Perhaps one day, sooner than we expect, Cacao could catch up to the macadamia nut industry which produces 45% of the worlds supply and the pineapple industry which has \$96,300,000 farm value and estimated at three hundred twenty-three thousand tons. The three pineapple companies pay \$6,200,000 in taxes per year.

"I want to use this opportunity to remind all of you how important it is to continue to look ahead and chart our State's path in promoting sustained and exponential growth of the agricultural industry. Earlier during this legislative Session, I introduced two resolutions to promote chocolate as a means of adding another significant crop for the continued diversification of our agricultural industry.

"Thank you, Mr. Speaker and fellow House members for your attention and I ask for your support in passing this bill."

The motion was put to vote by the Chair and carried, S.B. No. 1496, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

**S.B. No. 1326, SD 1, HD 1:**

Representative Saiki moved that S.B. No. 1326, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I would like to refer again to this report, which I have found so very interesting, because one of the recommendations is to support foreign language and foreign studies programs in schools, universities and employment settings. Thank you."

The motion was put to vote by the Chair and carried, S.B. No. 1326, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Arakaki being excused.

The Chair directed the Clerk to note that S.B. Nos. 299, SD 1, HD 1; 614, SD 1, HD 1; 1075, SD 1, HD 1; 1496, HD 1; 1326, SD 1, HD 1; passed Third Reading at 2:50 o'clock p.m.

**S.B. No. 254, SD 2, HD 1:**

Representative Saiki moved that S.B. No. 254, SD 2, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I voted no or with reservations on Second Reading on this bill, and I think I will be voting no today. This deals with a bridge, a very old bridge, that was built by a private entity and serves about seven property owners who have 2-acre lots. Their property is across the Waimea irrigation system so they have to go over that bridge.

"It just doesn't seem proper that we should be building a bridge. I am not sure that all this money is going to go for the bridge, but it was \$4 million that was appropriated for this. Apparently money was in the budget at the end of the 2002 Legislative Session and it was described as agriculture, water and infrastructure development. Now in this bill, we are calling it an emergency, that we need an emergency appropriation to demolish and rebuild a bridge in South Kohala that poses a safety hazard and which provides the only access to certain resident's homes. Madame Speaker, it just seems to me that the property owners there should share in the costs here somehow.

"The fact that this is a private road, a bridge that is used primarily by the residents in that small subdivision. It is not unlike having improvements put on our streets here in Honolulu where every property owner is assessed a certain amount of money to help pay for those improvements. And with this legislation, the people that benefit the most from this will pay virtually nothing. The rest of the people in the State of Hawaii, whether it is federal funds or State funds, there is something about this bill that just doesn't seem appropriate, and that is why I can't support it. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I will also be voting no and I would like the words of the previous speaker, and a couple other reasons. This seems like it might be a county issue as well. It just seems like the State, with its large budget and large problems that we're dealing with should go in and allocate \$4 million for a private road. It is very curious to me. So for those reasons, thank you."

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

"I rise in support of this bill. I happened to be invited by Mark Bennett, the Attorney General, to Senator Lorraine

Inouye's office to talk to about this project. Mark Bennett said, "Could you please introduce the bill because we have an emergency situation here." What they had determined is that they went back and looked at the deed and found that this ditch, this flume ditch, was actually owned by the State and that this bridge that we talked about is actually on State property. These property owners came around 1970, I believe. But he has determined that if we did not deal with this problem, that we were really going to have trouble with liability if someone gets hurt.

"So since that time, I have met with the Department of Agriculture at this site. I have looked at the bridge. It is a very small bridge. I don't understand the \$4 million. It is not that much from what I was told. But what the Department of Agriculture told me, the lady director said, that we have money in our CIP fund. We just don't have the appropriation to spend on it.

"What they were doing is they still are having the attorneys look at it because I also questioned if this is a county project. Doesn't the county have some responsibility? Because they were the ones who approved the subdivision plots. Come to find out, what really brought this to a head was that the fire department said they cannot go across the bridge, and they would not. So these people are without fire service. So that, I think that really elevated it and brought it to everyone's attention.

"I am hopeful that it gets resolved between the county and the State, but at this point and time I recommend that we keep this measure alive so that if we do have this liability issue that Mark Bennett perceives, that we can address it."

The motion was put to vote by the Chair and carried, S.B. No. 254, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 45 ayes to 5 noes, with Representatives Blundell, Finnegan, Halford, Meyer and Stonebraker voting no, and Representative Shimabukuro being excused.

**S.B. No. 457, SD 1, HD 1:**

Representative Saiki moved that S.B. No. 457, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

Representative Finnegan rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Finnegan's written remarks are as follows:

"Mr. Speaker, I rise in opposition to S.B. 457, S.D. 1, H.D. 1. I am supportive of the idea behind this bill – supporting adult day health care centers as an alternative to expensive institutionalization and a way to encourage independent living for our elders. However, I do not believe it is appropriate for this Legislature to be appropriating funds support a specific institution. I'm concerned that this site was chosen without proper consideration to need, availability, and cost effectiveness. I recognize that the Waipahu center is a pilot project and will be the first of its kind in the western United States. Rather than providing a direct subsidy for this particular center, however, I believe we should be exploring and working with the administration on what statutory and regulatory changes or additions are necessary to encourage more adult day health care centers to open. We should be seeking systemic changes we can make to support many adult health care centers, not spending much-needed funds to support just one. This bill has good intentions, but I feel it needs more work.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, S.B. No. 457, SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE WAIPAHU COMMUNITY ADULT DAY HEALTH CENTER AND YOUTH DAY CARE CENTER PILOT PROJECT," passed Third Reading by a vote of 45 ayes to 5 noes, with Representatives Finnegan, Fox, Halford, Jernigan and Meyer voting no, and Representative Shimabukuro being excused.

**S.B. No. 1621, HD 1:**

Representative Saiki moved that S.B. No. 1621, HD 1, pass Third Reading, seconded by Representative Lee.

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

"In support. You know, the difference between tax credits and basic tax relief is that tax credits are targeted and they favor a particular segment of the population, although tax credits can sometimes be very broad. The kind of relief that you get from a standard deduction, though is right across the board. This particular one is going to affect the poorest workers, the poorest income earners in the State of Hawaii. Because it is just the kind of broad-based relief that our people need, as opposed to targeted tax credits. I find it interesting that it also has the 'poison pill', which prevents it from being used until our economy grows at such a fast rate that we won't need any kind of tax credits at all. So I wish the 'poison pill' weren't there. I have to support it with the 'poison pill'. Thank you."

The motion was put to vote by the Chair and carried, S.B. No. 1621, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STANDARD DEDUCTION AMOUNT," passed Third Reading by a vote of 50 ayes, with Representative Shimabukuro being excused.

**S.B. No. 1400, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1400, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION," passed Third Reading by a vote of 50 ayes, with Representative Shimabukuro being excused.

**S.B. No. 1311, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 1311, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL FUNDS," passed Third Reading by a vote of 50 ayes, with Representative Shimabukuro being excused.

**S.B. No. 420, SD 1, HD 1:**

On motion by Representative Saiki, seconded by Representative Lee and carried, S.B. No. 420, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FINANCES," passed Third Reading by a vote of 50 ayes, with Representative Shimabukuro being excused.

**S.B. No. 1305, SD 1, HD 1:**

Representative Saiki moved that S.B. No. 1305, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

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

"Thank you, Madame Speaker. In opposition. This bill adjusts the current percentages in the Tobacco Settlement Fund. It adjusts the percentages adversely to the current uses of the Fund to create additional money for the general fund. Now, I know that the bill has blank figures in it, but a proposed draft showed that's what this is all about. Adjusting down the percentages that go to the dedicated uses so that money will be released to the general fund.

"I am just standing here in defense of the fact that the Tobacco Settlement funds should be used for health purposes and most specifically, to prevent tobacco use. That part of the cut I find particularly disturbing. We continue to chisel away at the money that brought us national recognition when we started the Tobacco Settlement Fund. We were the state that really stood out for dedicating this Fund for prevention of tobacco use and to health issues in general. I am sorry to see this trend go on and on, year after year. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I'd like to speak in support of the measure with strong reservations. I would like to have the words of the Representative from Waikiki adopted as my own as well," and the Chair "so ordered." (By reference only.)

Representative Arakaki continued, stating:

"But like he said, you know in times of fiscal crisis, I guess prevention is the first thing to go. But in this case, we are talking about prevention of smoking and promoting healthy lifestyles for our young people. It is mainly targeted for our young people. So I think I can see where we have a problem with our budget, but you know we need to continue to invest in our young people because they represent the economy of the future. And if we can't have a healthy workforce, it doesn't matter what kind of tax credit, or what kind of industries we promote. If we don't have a healthy workforce and healthy children, I don't think it will mean anything.

"I know the amounts are blank right now, but I hope we can resist the temptation to raid these funds because it has been a blessing for the State of Hawaii up to now. And I hope we continue to bless our young people with it. Thank you."

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

"Thank you, Madame Speaker. I rise to speak against the bill. Thank you I would like the remarks of the Chair of the Health Committee entered in the Journal as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Thielen continued, stating:

"Madame Speaker, he talks about investing in our young people and in the health of our young people. I think that is tremendously important, and that is also a reason that we should make the Capitol a smoke-free building. So when our young people come to the Capitol, they won't be impacted by second-hand smoke. Thank you."

Representative Finnegan rose in opposition to the measure and asked that the remarks of Representatives Fox and Arakaki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose in opposition to the measure and asked that the remarks of Representatives Fox and Arakaki be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"Thank you, Madame Speaker. I rise in support with some reservations. I'd like to hold my final vote until we get the final bill, after Conference because as you know, all the figures are blank. But I caution my colleagues to not take anymore from this Tobacco Fund aside from the intended purposes. As a matter of fact, the *Star Bulletin* on Friday April 4th, 2003, had an editorial entitled "Diverted Tobacco Money Will Cost The State More In The Long Run". And it points out that after September 11, 2001, I believe it was in late October, early November, when we came in for the Third Special Session, this Legislature reallocated the funds and created an additional item that we would be expending funds from the tobacco monies, and that was to support the building of the UH Medical School.

"And I'd like to read it because I think people need to understand that although this money is coming to us, it is not 100%. And just recently, on the mainland we learned that in fact, that some of our monies coming to us on an annual basis maybe eroded because of some lawsuits happening in the mainland. And I quote from the editorial:

Meanwhile, Phillip Morris USA has warned that it might miss this years \$2.6 billion settlement payment, due April 15, to state governments. Hawaii's share of the payment is about \$15 million. An Illinois judge ordered the company last month to pay \$10.1 billion for deceiving Illinois smokers of low-tar brand into thinking that they were safer, or post a \$12 million bond to appeal the decision. State attorneys general are urging the judge to lower the bond amounts so Phillip Morris has the money to make its annual payments to the states. Phillip Morris has raised the possibility of bankruptcy.

"It continues:

Legislators may be fooled into thinking that they are acting in the state's financial interest by diverting monies from the tobacco prevention to achieve a balanced budget. The opposite is true, since failure to reduce smoking will result in continued annual cost of \$328 million in health-care and other costs.

"I just wanted the Members to realize that there are some impacts coming down from the mainland and before we take a look at maybe making any adjustments to how we expend this money, we need to be very careful as to other impacts that will cause. Thank you."

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

"Yes, Madame Speaker. I wish to speak in favor. I wasn't going to say anything, but in listening to some of the remarks that have been made concerning the movement and use of the money, and forgive me for saying this, it sounded sort of disingenuous in the fact that we know that we don't have enough money.

"We are cash short. We don't do anything about it but in fact we go and move money around, and we raid special funds, we raid tobacco money. We want to use the Hurricane Fund. But as in years past, I have stated, and I will am saying it again, we refuse to make the hard choices. The hard choice that my good friend from Nanakuli has said. Are we going to fish or cut bait? Raise taxes or cut programs? And we know that we have been cutting all these past years. Well you want to cut some more? Let's cut. But let's not complain when we go and raid

funds. We have no other choice. There is no other place to go. So Members, please remember that. Thank you."

Representative Kahikina rose in support of the measure and asked that the remarks of Representative Souki be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"Thank you, Madame Speaker. I request that the words of the Speaker Emeritus to be inserted in the Journal as my own. No fund should be sacred at this point in time where we have a very difficult time balancing the budget. No fund, including the Hurricane Fund should be sacred. In support. Thank you."

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

"Thank you, Madame Speaker. I just have reservations. Not only we are using more of the tobacco settlement money, but we are also putting less into the 'Rainy Day Fund'. Yes, we have tight financial problems right now and we need to look at all our money, but we continue to grow the size of government with new programs. We are even starting new programs now when we have no money. So that concerns me."

Representative Bukoski rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bukoski's written remarks are as follows:

"This bill proposes that excess amounts of funds that currently exist in approximately eleven special funds be transferred to the general fund for appropriations and to aid and assist the Legislature and the Executive in balancing the budget.

"I strongly believe that special funds that are created for a specific purpose should be used for that sole purpose. However, under certain situations where our economy takes unsuspected hits and declines in contrast to the Council on Revenue's projections, we must exhaust all possible means and alternatives to mitigate such "one time" infusions of funds to offset such "one time" declines in revenues. We are not proposing such measures to be ongoing or occurring on an annual basis. The measure does what I feel is prudent and fiscally sound. It places the funds in the hands of the Legislature to appropriate as it sees fit. Although I do not condone this type of action on a regular basis, I feel it is a necessary step in this instance.

"I would like to reiterate that the amount of funds being taken from various specified special funds are considered to be in excess of what the fund requires to operate under the mandate of which it was created. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, S.B. No. 1305, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," passed Third Reading by a vote of 42 ayes to 8 noes, with Representatives Blundell, Finnegan, Fox, Jernigan, Marumoto, Meyer, Stonebraker and Thielen voting no, and Representative Shimabukuro being excused.

The Chair directed the Clerk to note that S.B. Nos. 254, SD 2, HD 1; 457, SD 1, HD 1; 1621, HD 1; 1400, SD 1, HD 1; 1311, SD 1, HD 1; 420, SD 1, HD 1, 1305, SD 1, HD 1; passed Third Reading at 3:07 o'clock p.m.

At 3:07 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:06 o'clock p.m. with the Speaker presiding.

## END OF CALENDAR

At this time, the Chair announced:

"Members, at this time prior to the recess, I believe we had four measures in regards to the end of the calendar. So at this time Members, can we go back to page 3? Standing Committee Report No. 1436, S.B. 1237, SD 1, HD 2."

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1436) recommending that S.B. No. 1237, SD 1, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and S.B. No. 1237, SD 1, HD 2, pass Third Reading, seconded by Representative Lee.

At this time, Representative Ontai offered Floor Amendment No. 10, amending S.B. No. 1237, SD 1, HD 2, as follows:

SECTION 1. Senate Bill No. 1237, Senate Draft 1, House Draft 2, is amended by deleting its contents and replacing them with the following language to read as follows:

"SECTION 1. The purpose of this Act is to propose an amendment to Article X, section 2 and 3, of the Constitution of the State of Hawaii to provide for the creation of locally elected district school boards and to amend the function and selection of the state board of education.

SECTION 2. Article X, section 2, of the Constitution of the State of Hawaii, is amended to read as follows:

### "[BOARD OF EDUCATION] STATE AND DISTRICT SCHOOL BOARDS

Section 2. There shall be a state board of education composed of [members who shall be elected in a nonpartisan manner by qualified voters, as provided by law, from two at-large school board districts] one member selected from each district school board. Each district board shall select its representative to the state board by majority vote among the district board members. Each state board member, with the exception of the member from the noncontiguous district, shall have a vote on matters before the state board of education.

There shall be district school boards composed of members who shall be elected in a nonpartisan manner by qualified voters, as provided by law, from a number of school board districts as determined by law. The [first] school board [district] districts shall be comprised of [the] areas of approximately equal populations. [island of Oahu and all other islands not specifically enumerated. The second school board district shall be comprised of the islands of Hawaii, Maui, Lanai, Molokai, Kahoolawe, Kauai and Niihau. Each at-large school board district shall be divided into departmental school districts, as may be provided by law. There shall be at least one member residing in each departmental school district.] The Hawaii State Student Council shall select a public high school student to serve as a nonvoting member on the state board of education. Local student councils shall select a public high school student to serve as a nonvoting member on each district school board of education."

SECTION 3. Article X, section 3, of the Constitution of the State of Hawaii, is amended to read as follows:

**"POWER OF THE [BOARD OF EDUCATION] STATE AND DISTRICT BOARDS OF EDUCATION**

**Section 3.** The state board of education shall have the power, as provided by law, to ~~[formulate statewide educational policy and]~~ appoint the state superintendent of education, ~~[as the chief executive officer of the public school system]~~ formulate funding formulae to fund each district board of education, create statewide education standards, and oversee equity and compliance with federal law.

District boards of education shall have the power, as provided by law, to formulate district wide educational policies not inconsistent with statewide education standards and effect budget decisions within the district. District boards of education shall have all other powers not specifically delegated to the state board of education."

SECTION 4. The question to be printed on the ballot shall be as follows:

"Shall the current constitutional provisions on the creation and power of the Board of Education be amended to provide for the creation of local district school boards elected by the people?"

SECTION 5. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 6. This amendment shall take effect upon compliance with Article XVII, section 3, of the Constitution of the State of Hawaii."

Representative Ontai moved that Floor Amendment No. 10, be adopted, seconded by Representative Ching.

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

"Thank you, Mr. Speaker. The last time we introduced a floor amendment regarding education, it involved statutory language of how we might enact governance reform. The number of boards that was specified and was not supported by this Body. However Mr. Speaker, in the interest of trying to reach that point where we can agree, a bipartisanship agreement, we are proposing this amendment.

"This amendment, Mr. Speaker, proposes a constitutional question. "Shall the current constitutional provisions on the creation and power of the Board of Education be amended to provide for the creation of local district boards elected by the people?" It proposes, Mr. Speaker, no specific number but allows us to create local elected school boards. A State board will be composed of members elected from each district board and it provides powers to the State board as provide by law.

"Specifically in the constitutional amendment, in this particular bill, we propose appointing a State superintendent to formulate funding formul and create statewide educational standards, as well as to oversee equity and compliance with federal law. District boards which formulate district policies that is consistent with statewide education standards and we think there are several compelling reasons for voting for this amendment.

"One, I think it's pretty obvious, our State is composed of islands, and special note to the fierce independence exhibited by such locals as Waipahu and Mililani. Our current single State board system has demonstrated, sometimes often demonstrated, difficulty acting to implement or acknowledge any bold plans for reform or improvement in our school system. Very often I think, Mr. Speaker relying upon State legislatures trying to propose tinkering with the system and doing things like that. Our one size fits all, State system leaves us rather vulnerable, Mr. Speaker. It leaves us with for example, the *Felix* Consent Decree. It forced the entire State school system to expend millions to move into compliance in a short few years. We had several extensions of course.

"I believe that if we had local boards, one board would have been affected certainly, but I think it would allow the much more, much better, opportunity for other boards in the State to learn from those mistakes and then to create an answer to meet compliance according to their own budget, that would fit their own budget and priorities. Notably, if you look at the districts, they actually came in to compliance at very different times. I remember the Mililani Complex for example, was one of the last school districts or school complexes to meet compliance. In other words, there are some differences within the system but our government structure doesn't allow for the differences. We have to all come in to compliance together.

"Lastly Mr. Speaker, another thing I think it would help us with is I don't believe that the entire system, and we passed a resolution this last week or this week ... Well, a couple sessions ago. Actually suggesting giving back federal money. I don't believe all our districts feel that way, Mr. Speaker. I think some districts may be inclined to do so, and other districts would certainly not do so. This kind of flexibility, by allowing for local elected school boards, would give our State, our entire State, the flexibility to accept or deny those kind of provisions if they would choose such drastic measures. Therefore, with the intent to define our issues more clearly, Mr. Speaker, that was the intent of providing proposing this amendment. Attempting to propose a measure acceptable to both sides of the House. I recommend that our colleagues consider this amendment seriously, and vote for it with support. Thank you very much, Mr. Speaker.

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

"Thank you very much. I stand in support of the amendment. Thank you very much, Mr. Speaker. My feeling is that this is one way, one very good way to decentralize our system. We recently had an expert come in. He is a local boy, born and raised, but has gone on to study schools across the nation. Mr. Ouchi mentioned how important decentralization was to improving our schools. He also cited examples which actually worked. So I think this is a step in that direction and I urge our colleagues to support the amendment."

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

"Thank you, Mr. Speaker. I rise in support of the amendment. Mr. Speaker, this is a great opportunity for the Members in this Body today to give the people the choice to vote whether or not they would like to have local elected school boards. And that is the reason that this amendment has been brought forward, to give the opportunity to the people of Hawaii to vote on whether or not they would like to have locally elected school boards. And so I would urge yourself and the Members in this Body to vote yes on this. A vote yes is for the people. A vote no unfortunately, is a vote against the will and the voice of the people."



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

"Thank you, Mr. Speaker. In favor. Last year we were united as a Body. We believed strongly that the time for school reform had come. We collectively, as a Body, understood that the way to have reform was to allow for locally elected school boards. And a measure that would put that on the ballot last year, embodied in S.B. 2102, HD 1, passed this floor by a vote of 49 to 1. 49 to 1 was the vote last year on that measure. So we would like to recall the spirit last year, re-emerge as a united Body working for school reform by passing this amendment. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In support of the amendment. I just urge my colleagues to consider the fact that all we are asking is to give the people the right to make a decision here. They can't be all wrong because after all, they had the good wisdom to send you here. So please trust in them again."

Representative Takumi rose to speak in opposition to the proposed amendment, stating:

"Thank you, Mr. Speaker. I rise in opposition to the proposed floor amendment. I notice in the proposed amendment, there is no provision for a special election this year that would cost approximately between a \$1 million and a \$1.5 million. And since there is no provision for a special election this year, I am puzzled as to why we are compelled to vote for a constitution amendment this year that cannot appear on the ballot until next year when we will have an election.

"Secondly, as I read the proposed amendment, there are some flaws in it. I direct Members to page 2, lines 5 and 6. These school board districts shall be comprised of areas of approximately equal population, as well as it has to. The question is, what would this area be? If we were to use Molokai as an example, as one school district, we would have 65 school boards across the State to mirror the number of people on Molokai, to be equal, approximately equal. If we use Kauai, we would need 19 elected school districts. The bill is silent. Obviously, the Governor introduced the bill calling for a minimum of 7. We've had a floor amendment in the past, calling for 9. This one just says, whatever.

"Page 3, lines 11 to 13. District boards of education shall have all of the powers not specifically delegated to the State Board of Education. A previous speaker said that *Felix* possibly would not have happened if we had local elected school boards. The statewide board is mandated to cover things like NCLB, the "No Child Left Behind" and *Felix*. An individual school district does not have that authority to do anything about these mandates. They have to follow the responsibility as is delegated to the statewide board.

"Thirdly, on this whole issue of governance. I think, as the Education Chair as I've indicated previously, we had hearings on different governance bills. It was clear there was not a consensus. I honestly believe if you went out into the public and you were to ask them, would you like local governance, many people would say yes. If you were to then ask them, "What do you think that means?" I suspect that you would have several, if not many, different answers. What I am challenged about Mr. Speaker, is that on locally-elected school boards, the Department of Education, the Board of Education, the Hawaii Business Roundtable, the Hawaii State Parent Teachers Association, the Hawaii State Student Council, the Teachers Union, the Union that represents the principals, they are all on record as opposing locally-elected school boards. I

think I owe it to myself, if not to my colleagues here, to find out specifically what are their concerns. Is it about jurisdiction? Authority? Is it about cost? Is it about the budget? Is it about more layers of bureaucracy? What is it all about? Fortunately, we have the time to do that.

"That is what I intend to do. I had assured the Body previously, and I assure the Body again, that the intent is to have a question next year dealing with governance of our schools. That continues to be my intent. That continues to be my hope. That is what I will be working for during the interim. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in favor of the amendment. I would simply say to the Chairman of Education that this amendment we are offering today has the constitutional amendment in it. This was something some of the speakers that spoke against our last amendment felt was a fault in our original amendment. One reason for presenting this during this Session is to put a constitutional amendment on the ballot, is that it must either pass by 50% for two consecutive years, or by a two-thirds vote in one year. And so to be cautious, it would only make sense to try to get it passed with 50%, and then repeat that next year.

"Another thing. He says is there are so many people, different groups, the DOE, the HSTA, and people that are not in favor of these local district school boards. I think that the people spoke in the last election when they elected our current Governor who campaigned very hard on this one ..."

Representative Takumi rose to a point of order, stating:

"Point of order, Mr. Speaker. I suspect the Governor ran on many issues and I don't think we can get into the minds of everyone who voted for her and the reasons why. Thank you."

The Chair responded, stating:

"Your point is well taken. Please proceed, Representative Meyer."

Representative Meyer continued, stating:

"Thank you. I think that to measure how people feel about local boards, a constitutional amendment, and if it passes, we will know how the people feel. They will have spoken loud and clear. And if they are not in favor, the amendment would not pass. There is nothing to fear. You must look at some of the groups that are against this. Many want the status quo. People don't like change and that is what makes them so resistant to any new ideas. So I think that we should all get behind this and support this constitutional amendment. We have nothing to lose everything to gain."

At this time, Representative Luke called for the previous question.

Representative Thielen rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I want to disclose a potential conflict. My daughter is on the Board of Education," and the Chair ruled, "no conflict."

Representative Thielen continued, stating:

"And Mr. Speaker, I am in strong support of the ..."

The Chair addressed Representative Thielen, stating:

"The question has been called. Representative Thielen, the question has been called at this point."

Representative Halford rose and requested a roll call vote.

The Chair responded, stating:

"The Chair was going to request that the Members of this House abide by a roll call vote."

At this time, the Chair called for a roll call vote and by unanimous consent, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 10, amending S.B. No. 1237, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," be adopted, was put to vote by the Chair and failed to carry on the following show of Noes and Ayes:

Noes, 36: Representatives Abinsay, Arakaki, Caldwell, Chang, Evans, Hale, Hamakawa, Herkes, Hiraki, Ito, Kahikina, Kaho'ohalahala, Kanoho, Karamatsu, Kawakami, Lee, Luke, Magaoay, Mindo, Morita, Nakasone, Nishimoto, M. Oshiro, B. Oshiro, Saiki, Say, Schatz, Shimabukuro, Sonson, Souki, Takai, Takamine, Takumi, Tamayo, Wakai and Waters.

Ayes, 15: Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Thielen.

Main Motion:

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1237, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 51 ayes.

The Chair directed the Clerk to note that S.B. No. 1237, SD 1, HD 2, passed Third Reading at 4:24 o'clock p.m.

At 4:24 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:25 o'clock p.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1494) recommending that S.B. No. 1088, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and S.B. No. 1088, SD 2, HD 2, pass Third Reading, seconded by Representative Lee.

At 4:25 o'clock p.m., Representative Meyer requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:26 o'clock p.m.

At this time, Representative Meyer offered Floor Amendment No. 11, amending S.B. No. 1088, SD 2, HD 2, as follows:

SECTION 1. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by deleting Section 1 of the bill.

SECTION 2. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by amending Section 2 of the bill, and renumbering the section accordingly, to read as follows:

"SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235- Long-term care tax credit. (a) Each resident individual taxpayer who files an individual income tax return for a taxable year, and who is not claimed or is not otherwise eligible to be claimed as a dependent by another taxpayer for Hawaii state individual income tax purposes, may claim a long-term care credit against the resident taxpayer's net individual income tax liability for the taxable year for which the individual's income tax return is being filed; provided that a resident individual who has no income taxable under this chapter, and who is not claimed or is not otherwise eligible to be claimed as a dependent by a taxpayer for Hawaii state individual income tax purposes may claim this credit.

(b) The tax credit for a resident individual taxpayer, including a resident husband and wife filing a joint return, shall be an amount equal to the lesser of the following amounts:

- (1) \$2,500; or
- (2) Fifty per cent of the cost of any long-term care insurance premium payments made by the resident individual taxpayer for the taxable year in which the payments were made;

provided that a resident husband and wife filing separate tax returns for a taxable year for which a joint return could have been filed by them shall claim only the tax credit to which they would have been entitled under this section had a joint return been filed.

For the purposes of this section, "long-term care insurance" shall have the same meaning as in section 431:10H-104.

(c) If a deduction is taken under this chapter pursuant to section 213 (with respect to medical, dental, etc., expenses) of the Internal Revenue Code of 1986, as amended, no tax credit shall be allowed for that portion of the cost of long-term care insurance for which the deduction was taken.

(d) The credit applies to premium payments for a long-term care insurance contract that covers:

- (1) The taxpayer;
- (2) The taxpayer's dependent as defined in section 152 of the Internal Revenue Code of 1986, as amended;
- (3) The taxpayer's spouse;
- (4) A son or daughter of the taxpayer;
- (5) A stepson or stepdaughter of the taxpayer;
- (6) The father or mother of the taxpayer; or
- (7) A stepfather or stepmother of the taxpayer.

(e) If the tax credit under this section exceeds the taxpayer's income tax liability, the excess of credit over liability may be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted.

(f) All claims, including any amended claims, for tax credits under this section shall be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed. Failure to comply with the foregoing provision shall constitute a waiver of the right to claim the credit."

SECTION 3. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by deleting sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13 of the bill.

SECTION 4. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by renumbering section 14 of the bill and amending the language to read as follows:

"SECTION 2. In codifying the new section added by section 1 of this Act, the revisor of statutes shall substitute appropriate section numbers for the letters used in designating the new section in this Act."

SECTION 5. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by renumbering section 15 of the bill and amending the language to read as follows:

"SECTION 3. New statutory material is underscored."

SECTION 6. Senate Bill No. 1088, Senate Draft 2, House Draft 2, is amended by renumbering section 16 of the bill and amending the language to read as follows:

"SECTION 4. This Act shall take effect on July 1, 2003, and shall apply to taxable years beginning after December 31, 2003."

Representative Meyer moved that Floor Amendment No. 11, be adopted, seconded by Representative Moses.

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

"I rise to speak in support of the proposed amendment. The original bill will impose a new tax on all citizens that will increase from a \$144 to \$276 per year over seven years. The new tax increase comes at a time when Hawaii residents all ready pay the fourth highest tax in local taxes in the country. This new tax is also regressive and unfair to the poor. It is also unfair to younger people who would normally pay less for such benefits due to their better health. In return, under the proposed bill, a resident receives only \$70 per day for only one year after paying into the program for ten years.

"The average nursing home stay is two and a half years at a \$150 a day. This bill misleads the public into thinking they will be covered for long-term care. This amendment will eliminate the unworkable, crippling provision for a long-term income tax while retaining the beneficial provision for a tax credit for those who have thought ahead and purchased long-term care insurance. I don't believe that it is prudent to create an additional drag on the economy by imposing a new tax on Hawaii's citizens. I do believe that it is more compelling to provide citizens with incentives for the private purchase of long-term care insurance. It is more compelling because encouraging citizens to purchase long-term care insurance is the best way to stabilize the existing Medicare and Medicaid system for dealing with long-term care.

"The current system Mr. Speaker, is being pushed to the limit because the State has become prone to making promises it cannot keep. The normal response in the past has been to keep making promises and to keep raising taxes. This has to stop.

Mr. Speaker, I propose the amendment to S.B. 1088, SD 2, HD 2, will send the right message to Hawaii's citizens who are concerned about both Hawaii's sagging economy and the rising cost of long-term care. The proposed amendment will enable the State to make a promise to citizens that it can keep. In this bill the tax credit will be is \$2,500 or 50% of the actual premium amount. And that gives people something back if they are paying for premiums. There are other things that we haven't discussed on the floor that I think we could take advantage of, such as the federal tax deduction. So for these reasons, I would ask that the Body consider the amendment and pass it. Thank you, Mr. Speaker."

Representative Arakaki rose to speak in opposition to the proposed amendment, stating:

"Thank you, Mr. Speaker. I would like to speak against Floor Amendment No. 11. Thank you. I believe this amendment is frivolous, and I hate to think we had to kill a few trees to entertain this proposal. The reason I say that, is because we actually passed a similar measure on page 9 which was S.B. 1399. And in fact, I would say S.B. No. 1399 is even better than what this amendment proposes because we actually have a trigger that depends on the Governor to say when this tax credit will be provided.

"However if this was meant to be a way of having people choose between either the tax credit or the long-term care plan, I would say that these two are not mutually exclusive. In fact, they could be complimentary. Because those who can't afford long-term care, private long-term care insurance, then they should go ahead and buy it and they should get the credit. For the majority of people who either cannot or will not purchase long-term care insurance, these are the ones that we are trying to help. And these are the families who need our help. I will talk more about the merits the original proposal when it comes up. Thank you."

Representative Saiki rose to speak in opposition to the proposed amendment, stating:

"Mr. Speaker, I rise in opposition to the floor amendment. As the Health Committee Chair just stated, we have already voted on the contents of the floor amendment through S.B. 1399. We voted on S.B. 1399 a few hours ago. I believe it passed unanimously in this Body. It is simply incredulous that we are voting on this bill again through this floor amendment. It is a complete waste of legislative resources and it is surprising that those worried Members who call for more government efficiency are pushing for this floor amendment at this time when it is basically moot. So for that reason, I call for the question."

At this time, Representative Saiki called for the previous question.

Representative Fox rose and stated:

"Objection. You can't call for the question at this stage of debate. We are not under a rule making body. We have the right to debate this question."

The Chair responded, stating:

"You will be given the opportunity on the main motion after this particular floor amendment. Because this particular measure has already been adopted in another bill. That is the question that is before this Chamber."

At 4:33 o'clock p.m., Representative Takai requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:36 o'clock p.m.

At this time, Representative Saiki withdrew his call for the previous question.

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. I'd just like to disagree in a strong way with some of the remarks made by the good Majority Leader there. This is not a frivolous amendment. It is not exactly a bill that we passed earlier. The tax credit bill that we passed earlier today had that trigger in it which said that our economy must, our State revenues must increase by 7.5% for two consecutive years. In the state of our present economy, that looks like something that is totally unreachable. This bill is clean of that. It doesn't have that. It simply starts the tax credit now. So we are not talking about apples and apples. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in support. It's been said that this amendment was frivolous. That the debate is incredulous and this was a waste. I take great umbrage to that, Mr. Speaker. It is very important that people have access to long-term care and to allude that long-term care for our elderly is a waste of time, to me, that is offensive to not only myself but the people in my district that are in need of this."

Representative Saiki rose to a point of order, stating:

"Mr. Speaker, point of order. The Representative is mischaracterizing the previous statements."

The Chair addressed Representative Stonebraker, stating:

"Representative Stonebraker, could you confine your remarks to the proposed floor amendment, and not make any innuendoes as far as the interpretation."

Representative Stonebraker continued, stating:

"My point is, I don't think this is a waste. I think I am concerned that to just provide long-term care with the incentive of a tax credit that is not faulty, with the 7.5% revenue increase over two years, which is a faulty trigger, that will not allow for a tax credit. So to discuss this is not a waste of time. It is not a waste of paper, as was mentioned. It is not incredulous and it is not frivolous."

"This is a very important issue. And to think of these people that need long-term care and would purchase it if there was a tax credit, to tell them that this is a waste of time to me, that is offensive. And I would just urge my colleagues to vote yes on this because it is not a waste of time to be concerned about our elderly and long-term care."

Representative Arakaki rose to respond, stating:

"Thank you, Mr. Speaker. I will accept the premise that this is meant to enhance or provide an alternative to the bill that we did pass. But if that is the case, then perhaps the amendment should have been offered to that bill instead of this one."

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

"In support. An important part of this amendment is that it allows us to take an action in favor of long-term care, and at the

same time putting aside what some have called the 'lifetime tax for one year of care' bill. And if we were able to amend the title of the underlying bill, that it would be the title that would be preferred."

"We are deeply concerned that the people of Hawaii are being led down a primrose path to believe that the long-term care provisions that we are trying to remove by this amendment will in fact provide them long-term care. And as the Representative from the Windward side pointed out, this is not the case. Nursing home care is a \$150 a day for two and a half years on the average. And this is only a start in that direction. To get there you have to put in for ten years."

The Chair addressed Representative Fox, stating:

"Representative Fox, we are not addressing the main motion at this point. It is the floor amendment whereby you can speak ..."

Representative Fox: "I apologize Mr. Speaker, that I did not talk to you about this, but the purpose of this amendment is to eliminate bad actions, which I am now discussing."

Speaker Say: "Which will be addressed on the main motion. You are absolutely correct. This particular amendment is a tax credit right?"

Representative Fox: "Actually, if you would prefer that I talk about it later, it doesn't make any difference."

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

"Rising in support. I may be a little bit out of order also because I am just trying to point out that this is a way of allowing our residents to help themselves, versus the State creating a program to try to take care of them. Thank you."

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

"Thank you, Mr. Speaker. In support of the amendment. Mr. Speaker, I think what makes good public policy is that we try to strike a balance between the needs of the people and the resources of the government. We all know that healthcare costs are rising and rising and rising, and I know this is an old physics term and so apologize to my colleagues, but I look at it as to trying to achieve equilibrium. Where the public policy expressed by our laws, to encourage a reasonable balance between government intervention and public participation."

"The reason why I support this amendment Mr. Speaker, is because it encourages people to take out, or gives an incentive for people to take out private insurance. I was just looking up, doing some research on this Mr. Speaker, and this comes from the National Governors Association. A summary or a fact sheet of some of the private insurance, typical private insurance features."

"The annual premiums for say, someone my age bracket, around age 40, is between \$300 to \$800 a year. So about \$25 to about \$60 to 65, or so. However the difference is that I see, that there is actually, you can pay different options. You can zero time-lag. In other words, the day you pay your premium, you can take benefits the next day, and an additional feature is that the benefits are generally not capped off. You can take these benefits for a lifetime or until you die whichever comes first, I guess. The point is we believe that we should encourage our constituents to take these this better option. It might cost a little bit more admittedly, but these options are clearly superior

to our taxes that goes across the board, and it encourages, and it only allows for 365 days.

"Another interesting feature Mr. Speaker, that encourages public participation to make wise choices is that it doesn't cover all of the costs, and therefore there is no equilibrium for controlling these costs. But in fact, these policies typically cover say, 70% of nursing home costs, which are typically highest; 90% of assisted living costs; and a 100% of home care costs being the most reasonable out there on the market.

"And finally Mr. Speaker, I wanted to say something also I found that was very, very fascinating, is that not only are these benefits can be not capped, they can be a maximum of a lifetime of benefits. But also there is inflation protection where as our proposal does not, in the underlying bill. But inflation protection where it incorporates 5% compounded annual increases in the benefits without an increase in the premiums. So that is why it might cost you less when you are younger, but you are anticipating that you won't take those benefits until you are much older.

"For those reasons, I think let the people choose their own coverage. Encourage our people through our public policy and through tax credits, or whatever means we can do it without forcing them. I think they'll make the wise choice. Thank you, Mr. Speaker."

At this time, the Chair stated:

"The Chair will recommend that we do a roll call vote once more for all of the Members of the House."

At this time, the Chair called for a roll call vote and by unanimous consent, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 11, amending S.B. No. 1088, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," be adopted, was put to vote by the Chair and failed to carry on the following show of Noes and Ayes:

Noes, 36: Representatives Abinsay, Arakaki, Caldwell, Chang, Evans, Hale, Hamakawa, Herkes, Hiraki, Ito, Kahikina, Kaho'ohalahala, Kanoho, Karamatsu, Kawakami, Lee, Luke, Magaoay, Mindo, Morita, Nakasone, Nishimoto, M. Oshiro, B. Oshiro, Saiki, Say, Schatz, Shimabukuro, Sonson, Souki, Takai, Takamine, Takumi, Tamayo, Wakai and Waters.

Ayes, 15: Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Thielen.

Main Motion:

Representative Fox rose and stated:

"Thank you, Mr. Speaker. As I said, this bill should be re-titled, 'The lifetime of tax payments for a year of care' bill. And that is what so concerns me about this bill. And why I had hoped we would be able to pass an amendment that would have cleaned up the activity and allowed a tax credit to be used. This bill poses as some sort of insurance policy that is going to help people ..."

Representative Saiki rose to a point of order, stating:

"Mr. Speaker, point of order. The comments are out of order in respect to the motive or intent of the legislation."

The Chair then stated:

"Thank you, very much. Representative Fox, please proceed."

Representative Fox: "I believe the rules allow for ..."

Speaker Say: "That is why I said, 'please proceed.'"

Representative Fox continued, stating:

"Thank you, Mr. Speaker. The traditional insurance policy allows for people when they are young to pay very low rates, and to continue that low rate throughout their lifetime, and to qualify at an early age. A traditional insurance policy rewards people for healthy lifestyles. And a traditional insurance policy, as the Representative from Mililani pointed out, covers you immediately, permits you to, in many policies, they will cover you for an unlimited length of time and will pay out at the amount as necessary to cover your high nursing home needs, 70% of your nursing home needs. All of these elements are missing from the current long-term care policy.

"In addition, there's no assurance that we can offer the people of Hawaii that this Fund will not be raided. Once we compile a large pile of money, and the past, the Legislature shows no hesitation to dip into that pile for immediate needs, always promising the people that it will be made up later. And as we see in the case of the Employees' Retirement System Fund. That is not necessarily always the case.

"The additional problems with the bill is that it depends, in the actuarial tables, on 37,000 people a year leaving the State and never taking the money with them. That's built into the idea of how they compute the numbers. Yet people are permitted to continue to vest in the program if they continue their payments after they've left Hawaii. But it's just the idea that we will collect money from all these people, allow them to leave the State and figure that we're going to use that money to support the policy that concerns me about the way this policy is put together.

"For the elderly, there's the false hope that they will be covered. For the young, there is the improper fact that they are going to pay a flat rate. That's the same rate as anybody else even though on the private insurance market, they would be paying much less. And for all of us, we have a policy that leads people away from the right solution. This is what we were trying to get at with the amendment.

"The right solution is to buy private insurance that provides immediate coverage, meets your full needs at the end of your life when you need them, and rewards you for being healthy. Rewards you for buying young. We've got to encourage people to buy private insurance. That's part of the full picture of this coverage. Once a policy like this is in place, people will fall into the illusion that they don't need to buy insurance and this will work against the needs of our community. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise to speak in opposition to the measure. You know, Mr. Speaker. There's no question that this measure is well-intended. Also there's not question that the long-term care problem is something we have to address. We find ourselves in a situation here in the State of Hawaii where we have a growing elderly or senior population with respect, in proportion, to the young ones. So what you have is more and more people in the future who will need long-term care, who are supported by proportionally, fewer young people.

"This problem in many ways parallels this situation with Social Security and how when we first began Social Security years ago, we had many people paying into the system, and few drawing from it. We're going to have the same kind of situation with long-term care. So a solution must be found. A way to solve this problem must be reached. But Mr. Speaker, I just disagree with the way in which we seek to do that with this measure.

"This measure is akin to, I understand H.B. 1616, and so it's not unique in the Legislature. As I understand, this measure would create a new \$10 per person, per month tax on everyone from ages 25 to 99, and the result would be a State subsidized long-term healthcare fund to care for the aging population. This monthly \$10 tax sounds miniscule, but that really Mr. Speaker, would be just the beginning. Because it would go from \$10 a month, or \$120 a year, ultimately for the next few years, to about \$276 per person per year. Again, that may not seem big except when you compare how regressive this tax is for many people. As this new tax is applied the poor are actually the greater percentage of your income you'd be paying it's a very regressive tax. The outcome is the hope that one would receive at the end of the lifetime of paying into this system, the outcome is that one would receive about \$75 dollars a day. There's question of whether that would indeed pay for the long-term care services one would need. There's even more questions as to how long this would last. A lot of people are very concerned because this might only provide for a year or two of services but many people may need long-term care for longer than that. What happens to those people?

"One person writing, Mr. Speaker, in the *Honolulu Advertiser*, is an emeritus professor of the University of Hawaii who said that this measure, "Does not really help with nursing home cost." And then he says it does not address "the overly centralized and wasteful" system. I don't know what party he is, but he's a professor there and I want to take into consideration his writings.

"It's also been pointed out elsewhere that no state has embarked on long-term care tax system such as this or even remotely like this. It's one thing to be bold and innovative. It's also another thing to undertake such great risks. In many ways, Mr. Speaker, if we would find ways to couple say with the Medicare system, a catastrophic health insurance policy, and also to make by way of tax credits affordable long-term care insurance. That would be preferable to a system such as this where we just don't know even if it works, in a best case scenario, whether or not people are going to be able to benefit and draw from these benefits.

"One final concern, Mr. Speaker, and let me close here. One final concern that causes me to oppose this is the fact that early on, we will probably grow a very large pot of money. Perhaps the largest pot of money that the State will have, and this could very well be another Hawaii Hurricane Fund where we will look to raiding it to drawing from it in hopes of being able to pay it back later. And saying that we just need it now and we'll be able to take care of it like the ERS or other funds. I don't think we want to add another problem like that. So, for those reasons, Mr. Speaker, I oppose this particular way of trying to solve this problem. Thank you."

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

"Thank you, Mr. Speaker. I am voting no on this particular measure. One part of the bill causes me concern. Of course the whole bill does, but others have described it very well. It asks the Board of Trustees to contract with an entity to run this program. But in addition to other customary duties, the entity shall ensure against fraud and abuse in claims and payment of

defying benefits. I don't think a company that's into collecting money, and paying money, would like to also undertake fraud and look for abuse in the claims and trying to judge who is worthy of making or receiving the claims and if there is any abuse in the payments. It's seems to be quite a strange provision to put in a tax bill.

"Also the administrative costs are very high. I understand the start-up costs are about \$2 million. The ongoing cost may be \$1 million. But this amount cannot be taken out of the fund that is collected because that will be used only for the purpose of paying the defined benefits. So that will be an extra cost to the general fund. So I don't know who will decide who will qualify for this particular benefit whether it is the Board of Trustees or some department we're not quite sure the entity that will run the program. But I think it's because the enforcement provision are so loose and left to some unknown purpose, I would think that some people may want to be able to qualify for this money as soon as possible, perhaps having one or two criteria that would qualify them for assisted living, collect the money, and then if I were smart, I think I would buy a long-term policy with this amount. Definitely then, I would qualify for a federal tax credit. Maybe in a few years for a State tax credit. But I think this is very loosely worded, Mr. Speaker, and I feel for the administration of this program.

"And I can't remember exactly what we passed in the past, but the program did not seem to be that well thought out. Thank you very much, and may I have further remarks that I'd like to insert them into the Journal. The Tax Foundation published a report called "Opening the Big Black Hole," and I'd like to have these remarks inserted into the Journal," and the Chair "so ordered."

Representative Marumoto's written remarks are as follows:

"Since the Minority amendment to strip the tax from this bill went down in flames, I stand in opposition to the measure. The amendment would have removed the long-term care program along with the tax that would be assessed to support the program. What would have been left was the tax credit for the purchase of long term care insurance.

"I have been concerned since the inception of this particular long term care idea, that the tax is:

- 1) too difficult to administer'
- 2) that it is regressive;
- 3) most unfair to young people; and
- 4) the proceeds do not have to be used for assisted living or for a nursing home.

"Difficulty in Administration - It will take a large staff to check - every single month - whether 800,000 people have paid or not paid. If they haven't paid, then the monthly tax is subtracted from their account. Occasionally, a report on the status of each account must go out to everyone in the program.

"Some workers may only work a few weeks out of a month like Christmas workers. Others work on and off like construction workers. Are these people charged for a whole month. Or are their taxes pro rated?

"It is also a headache to keep track of people who move in and out of state, join the Army, get married, or change names. Today we cannot keep track of child support payments and that involves a much smaller segment of the population - how will we suddenly be able to track every adult in the State?

"Will Hurt the Poor the Most - A flat tax is very regressive. Everyone pays the same no matter how much they make. A single mother on welfare will pay the same as a millionaire.

Similarly, the food tax impacts a low-income family more because a greater proportion of income is spent on food and other necessities of life.

"Unfair to Young People - This program is great for me and my husband. We are almost old enough to collect social security, and after only ten years in this proposed program we may be able to cash in (as long as we meet certain criteria such as needing help to dress and bathe oneself). It's a good deal for persons who are in their 50's and 60's today. But older people who are in their 70'S AND 80's today may need the money before the ten years are up.

"Meanwhile, young people just out of high school can look forward to paying this tax for years and years. Will the assessments continue to rise? Will the Legislature scoop out the money from the long term care fund to use in the general fund? Will the system go broke?

Let's Buy a Car! – Although one must be in need of assisted living care and qualify for payments from this program, there is no requirement that the money be used for such services. If one is rich, one can use the extra money for a vacation. Or to buy a new car. The best idea is to use the money to buy a long term care insurance policy and receive a federal tax credit.

"False Hope – I believe most people will use the money to help with long term care services, but they must realize that it will not make a dent in paying for a nursing home. Whereas they will receive \$2100 a month at \$70 a day under this program, today's costs for nursing homes run about \$6000 a month. It will be much more in future years.

"Many seniors believe that this long term care program will take care of their long term care problems. But they must realize that payments last only one year and will not cover many of their bills. Many politicians are touting this program as the answer to seniors' prayers, and are accusing opponents of the measure as being non-caring. They are holding out false hope to the elderly and vulnerable.

"When word gets out about this program, we can expect may people in their 50'S and 60's to gravitate to our shores. What is needed is a federal program that will not attract people who want to retire in sunny Hawaii.

"For further information, I refer you to the article, [A Big Black Hole](#) by Lowell Kalapa of the Tax Foundation."

"Hawaii Reporter  
Freedom to Report Real News

Opening the Big Black Hole By Lowell L. Kalapa, 4/7/2003  
1:35:01 AM

Well, it's back again -- the state long-term care insurance tax proposal. Remember this is the \$10 per month tax that is supposed to provide you with a benefit equal to \$70 per day for 365 days should you need long-term care. While the governor has already indicated that she will veto such a proposal, it appears lawmakers seem hell-bent on putting it on the governor's desk in a battle of one ups-man ship. Unfortunately, no one will win in this political tug-of-war as neither side of the issue has moved to find a common meeting place of compromise. There is no doubt that the issue of long-term care needs to be addressed especially in light of the aging population and with the golden years just beyond the horizon for baby-boomers, the problem will grow. However, creating a false sense of security by adopting a social insurance will make the problem worse and not better. Everyone seems to agree that the amount of the benefit is not enough to cover institutional

long-term care, but proponents point out that it is enough to provide in home care so that a person does not have to be put into an institutional setting. And that may be well and good, but if people who are ignorant of the cost for institutional care are led to believe that this coverage will take care of all their needs, we may find there will be even more people who will not be able to afford long-term care. In other words, if people come to rely solely on this state run insurance for long-term care and their needs somewhere down the line are greater than in-home care, they will be faced with the same dilemma that many of the proponents of the plan bemoan, the high cost of institutional long-term care. Encouraging what will be the next generation of those who will need long-term care to purchase private policies will reduce the demand for publicly financed care. Whereas proponents argue that young people simply have other priorities, what do they think the \$10 per month will mean to these same young people? Because older taxpayers are more likely to need that long-term care coverage in the near future, they will be the first to benefit from the coverage while younger taxpayers will be asked to foot the bill. However, when it comes time for those younger taxpayers to benefit from the plan, either the plan will have no money to pay benefits or the cost of the tax will have increased so much that it would have been better to take out private long-term care insurance. But like Social Security the point will come when the system will be faced with a fiscal crisis because there will be more benefits being paid out than there will be contributions to the system. Thus, the premiums or tax will surely have to be increased. Proponents argue that the money will be invested wisely so that the earnings from the invested funds should preclude having to raise the premium anytime soon -- regardless of the fact the bill already provides that the tax will more than double within the next ten years. However, if that is the case, then more than likely the funds will have to be invested outside the state as there are few, if any, investments in Hawaii that will produce double digit returns on investments. That is what is ironic -- that at a time when lawmakers have been trying to lure investors to Hawaii to stimulate the economy, this plan will send more than \$100 million a year out of the state so that there will be sufficient returns on the premiums invested to cover the benefits that will be paid out. More importantly, because this new tax will require tracking of the payment and the taxpayer, new records will have to be kept. Businesses who are required to withhold the \$10 a month will have to keep track of from whom they withheld the tax. Either the tax department or the third party provider of the insurance will have to keep track of who paid into the system at least ten years and whether or not they stopped paying, because once the taxpayer stops paying, they begin to lose benefits. If the taxpayer has not paid into the system for ten years, then the taxpayer is entitled only to a fraction of the daily benefit. In a year when lawmakers are faced with millions of dollars in budget short falls, are they really willing to raise a tax to fund a new program of long-term care insurance that will raise more the \$100 million while they let education and other state programs go begging?

*Lowell L. Kalapa is the president of the Tax Foundation of Hawaii, a private, non-profit educational organization. For more information, please call 536-4587 or log on to <<http://www.tfhawaii.org>> It's Your Money...  
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Representative Arakaki rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'd like to speak in strong support. I'd like to start by perhaps correcting the Minority Leader's statement about the 'lifetime of payment for one years of benefit'. It calls for 365 days of benefits at \$70 plus. And conceivably, if a person only uses services every other day, and uses only half of that, it could be for four years. And it is

consumer directed. The other thing it is portable. The benefits are portable as long as you keep paying into the system until you are eligible. And you know there is an increase, yes, to the premium but it is adjusted for inflation.

"But I guess the important thing to mention is that here in Hawaii, our life span has increased and people are going to be living past 100, and its going to be a norm rather than an exception. But with a blessing of long life comes the added cost and responsibility of caring for the elderly to which the cost of institutional care such as for nursing homes which is currently over \$68,000 a year. And this cost is projected to rise to \$200,000 a year by 2020.

"Now when caring for a frail elderly or disabled family member or members become too difficult at home, the caregivers are faced with the problem with paying for institutional care in a nursing home. In most cases this will necessitate the impoverishment of the patient and dependence on government for payment for that skilled nursing level care. And just a couple of thoughts to contemplate, Mr. Speaker and colleagues. If people start living to 100 and beyond on a regular basis, we will see families not only be taking care of mom and dad but also grandpa and grandma at the same time. Imagine if your parents were 80 and your grandparents were over 100, and you had to take care of both of them. Now you couple this with the decline in our birth rates and we will actually have fewer people having to care for more and more elderly and disabled.

"Despite the expected advances in assisted technology to lessen the need of our skilled workforce. There will still be a dramatic shortage of caregivers, such as nurses, home health aides, carehome operators and nursing home aides. An Executive Office on Aging report on family caregiver cites Hawaii is having the lowest nursing home bed ratio in the nation which is 28 beds per 1000 persons who are 65 years and older. Compare that to the national average of 61 beds per 1000.

"Mr. Speaker and colleagues, I don't need to point out to you that our healthy environment and lifestyles will mean the elderly in Hawaii will enjoy longer life spans beyond most other states and countries. Hawaii has the highest rate of longevity in the nation and the third highest in the world. According to Health Trends in Hawaii, the number of older old are increasing dramatically. Between 1990 and 1999, the number of residents ages 75 years and older increased by 62% and the number of those 65 to 74 years old increased by 13%. Added to that, Mr. Speaker, our ethnic and cultural values that make it obligatory for families, especially children, to care for parents. So more and more families will find themselves in conflict with having to care for an elderly family member while still having to work to pay for that care and support their own families. An estimated one-third of adults are engaged in providing informal care for a disabled person."

Representative Shimabukuro rose to yield her time, and the Chair "so ordered."

Representative Arakaki continued, stating:

"And I know. I am one of them because I had to help care for my mom. The average age of the caregiver is 46, and 70% are women. We also know that many productive tax-paying wage earners are forced to either quit their job or drastically curtail their work hours to care for a family member. And I'm sure many of us know people like that.

"Some believe that we need to promote the purchase of long-term care insurance as the answer. It's part of the answer, however a recent AARP survey showed that most Americans

ages 45 and older are not familiar with the cost of and funding sources for long-term care services. The truth is few of us will prepare for long-term care cost until we find a need for it. And private long-term care insurance covers less than 3% of the cost of all long-term care and that's proof of that. According to the Coalition for Affordable Long Term Care, 85% of long-term care is provided in the home by families and friends who pay for most of the expense out of their pockets.

"While personal cost for families are spiraling, so too are government costs. With the burden to taxpayers over \$100 million annually nationwide here in Hawaii it is estimated that each one of us is paying \$400 for Medicaid and these numbers are going up every year. We just passed a bill on emergency funding for Medicaid. I don't think anyone voted against it. So we actually support it and are being taxed for the cost of our elderly. The problem is the basis for these costs are for nursing homes and we want to look for alternatives. So if current trends continue the cost of families into government will continue to spiral and unless we develop a comprehensive plan, we're going to be in deep 'kim chee'. Families will continue to be forced to make tough decisions on whether a family member is cared for at home or in an institution, unless we can offer to make choices that are affordable to the consumer.

"And Mr. Speaker, it is hard to believe that for the cost of two plate lunches or less than the cost of two movie tickets, certainly the cost of four packs of cigarettes or a bottle of good wine, that Hawaii citizens can and will have an actuarially sound plan for long-term care. I realize some young people will not want to make a contribution realistically because they cannot immediately see the need for it. But like Social Security and insurance the healthy and the young, you will need to participate in order to make this plan financially feasible and actuarially sound. But they will benefit when they have to start caring for their family members.

"So, Mr. Speaker and colleagues, I don't pretend that this is a panacea to all the needs for long-term care. It won't cover the cost of nursing home care and it is a benefit package limited by time. But for those of us who had the stressful experience of trying to decide what to do with an elderly or disabled family member upon discharge from the hospital, it provides a period of grace, where help can be provided at home while plans can be made logically and sensibly for long-term care. I believe this to be one of the best features of this plan and one that many of us will take pride in creating it, especially when the time comes for our families to decide on long-term care.

"Hawaii's longevity along with our culture and tradition of honoring our elders makes it a perfect setting in leading the nation in providing compassionate, affordable quality care for the frail and disabled elderly and adults. For the sake of future generations, let us show foresight and courage by establishing a system of care and a caring system that will provide for those in need, our frail, elderly and disabled.

"So Mr. Speaker, the time to act is now. We owe it to our elders who have labored and sacrificed to provide us with the Hawaii that is a special place to live. Now is the time to show the nation and the rest of the world what it is to have a society and a government that honors its elders with care, compassion and aloha. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I speak in opposition to this bill. Actually Mr. Speaker, it pains me to vote no on this bill. I agree with a lot of the things that the Chair of the Health Committee has mentioned. This program is geared to address the 'boomer' generation that will be turning 65 in about 10



years. And I would like to look at other things before I support this long-term care tax/insurance, and this is what I would like to see.

"One of the first things is a combination tax credit and education program. Throughout the nation, organizations are recognizing that now is the time to educate 'boomers' on long-term care insurance. This is a teachable moment. Many 'boomers' are caring for their own parents right now, or are facing the challenges of providing long-term care for their parents. Again, it's a teachable moment and I think they'll be open to long-term care insurance.

"The second thing is I would like to see us look into a Medicaid waiver. I've been doing a lot of reading because this is something of particular interest to me. One of the Medicaid programs out there right now is the Arkansas Independent Choices Program that started in December of 1998 and it offers many of the same things that we are trying to do here in our long-term care program. Just to read one of the things that it does. Program participants can hire family, excluding spouses and legal guardians, friends, professionals or neighbors. Funds can be used for virtually any facet of personal assistance, services or items. They are not exclusively for salary.

"Now, how does that help us if we look into a Medicaid waiver? One, keeping it under Medicaid, we help the truly needy and not just everyone. Two, federal match of 58% to our 42%. And three, we have right now, if we were to look into this program, it can buy us a little bit of time so we don't have to raise taxes for now. But we can raise taxes when hopefully our economy is better, should we need to.

"The other part of this is, of course, the tax. Is tax a bad word? Well, \$10 a month. Sure, it doesn't sound that bad, but if you add that to the other proposed taxes, the GE tax increase, other fees we are trying to increase, not to mention the City and County of Honolulu is looking at garbage collection fees that are supposed to increase three-fold within the next three years. We're looking at property taxes that are going to be raised, not only because of property values being raised, but we're talking about an increase anyway. You know, what does that mean for our families and working elderly that struggle from month to month, that are on the verge of bankruptcy? That's tough.

"So, one thing I would like to say is that one I've learned one thing here at the Capitol. Once you give something, it is extremely hard to take it back. This is a big program. I've had less than three months to review it. I definitely need more time before I can pass something like this. Thank you. And that's why I'm voting no."

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

"Mr. Speaker. Thank you very much. I'll make it very short. I know we're all quite tired. I just want to give a few figures, and I am in support, Mr. Speaker. Actually, reviewing the budget and the numbers, this probably is the best deal in town. \$120 per year, for five years. And five years from now you can begin to take advantage of the program, you'll have spent about \$600. In the event you take ill, and you need home care, it is roughly about \$70 per day, that normally would cost you, for one year, about \$25,000. You would have invested only \$600. As I look at it, it's a hell of a good investment.

"Another area that we need to look at is that if you're a young person, and say you invest for 30 years, your investment cost will be approximately \$3,600 with no compounded interest at maybe 8% or 10%, will come to about \$7,000 or \$8,000 over a period of 30 years. If you become ill and you need home care at that time, your cost for that will \$25,000. It's still a good

investment. So rather than looking at it as a tax, you might look at it as an investment.

"Now, this is not a cure all, as the Chairman just mentioned. This is just one of the items that we need. We need to eventually to look into nursing home care for extended, skilled nursing care. That will require a larger investment. We need a comprehensive program because we are living longer, and as the years go by, our age will be extended. And this does not preclude having a tax credit. I think tax credits are very good. We need to look at that too. It's a whole combination of things that we need to look. We need to look at tax credits. We need to look at a huge investment in the future for skilled nursing care, and I think we should begin with this, right now, Mr. Speaker. Thank you very much."

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

"I rise in opposition. I think that long-term care is an issue that this Body needs to address. It's a concern that's going to be growing every year. Approaching it as a tax such as this is going to be a very regressive. On tax incentives, this Body is passing legislation with a 7.5% trigger. That's 15% percent growth in over two years. But we're willing to pass a tax without taking growth into consideration. We're going to be pulling money out of the economy at a time where we need the money in the economy.

"At the same time we're not going to pass any incentives with this dubious trigger that we'll never achieve if we had 15% growth. The streets would be paved with gold and we wouldn't need the incentives. So that's why I'm rising in opposition. One year benefits. I have a problem with that too. One of the previous speakers claimed we could have part-time benefits. In other words, on every other day. I don't know if that really works for long-term care but that was his solution for it. Anyway, thank you very much, Mr. Speaker."

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

"I'd like to speak in favor with strong words of reservations. Mr. Speaker, this Legislature has been working on a long-term care proposal for over a decade. Every year for more than ten years. Exactly how much more than ten years, I'm not sure. Still here we are and as yet, no results. And Mr. Speaker, this proposal really isn't the solution.

"I'm voting in favor of this largely in support of the members of the community that have worked harder than this Legislature has, I believe, for more than a decade. People understand that a solution is needed. They understand that everyday we wait, the problem gets worse. And I would like this speech to be an opportunity that the need is there. But this, Mr. Speaker, is not the solution. In fact if this bill passes with a realistic effective date out of Conference, I will at that point vote no.

"This is bill is that flawed. It is, Mr. Speaker, short-term care, long-term tax. That's its essential problem. The tax side of it, Mr. Speaker, is serious, more regressive than our general excise tax. It is in my view, predatory on the more fragile members of our community. If the overall purpose, government purpose, of this long-term proposal, short-term care proposal, is to be a safety-net for the most fragile members of our community or a means to look out for the more fragile members of our community. If that's its purpose, then this is a schizophrenic bill because the tax side of it is predatory on the more fragile members of our community. Those that really couldn't afford to pay this tax. For those reasons, Mr. Speaker, I have strong reservations. I will vote no in the end if the

wording of the bill is identical to this. If it in fact has the realistic effective date. Thank you."

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

"I am rising in opposition. It was about two years ago this month, Mr. Speaker, when my wife and I had our second child. It was in Castle Hospital when yourself and the Members of the Body, we had a great flower basket. It was very nice. That was my second child. We celebrate her birthday this month. She is two years old.

"My wife's pregnant again, so I knew I had it in me. But we're going to have another child next year and there are a lot of details that can be debated, and have been debated, and I don't think we're changing anybody's mind now, and I'm not going to go into all those details. But the bottom line is my wife and I can't afford this. We cannot afford this tax. We don't have long-term care insurance right now, primarily because of that reason. We cannot afford this. This bill will take the food out of my children's mouth. And I will not stand by idly and watch it happen. I'm asking the Members of this Body to vote no on this bill. We cannot afford it."

At this time, the Chair announced:

"Members, please be seated. We had a lot of discussion on this particular issue. For the GOP caucus there are two, four, six members who have spoken in opposition, and at this time the Chair will allow Members of this House to submit written comments for or against the particular measure.

"It's been close to fifty minutes that we've had a very positive, educated debate on this particular issue. So, with you indulgence, would you mind if you would submit your written comments, or would you want the debate to continue?"

"Representative Lee, you are the third person that on the Majority side to stand so please, if you want the debate to continue, I'll allow the debate to continue for all of you. But please proceed."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of the measure. This must be at least the 6th time I have risen in support of this measure which establishes a long term care financing program for Hawaii's people.

"We have heard a lot of criticism, but not a lot of solutions on the floor today and that is part of the problem---to even suggest that the Federal government will rise to the occasion is ludicrous, and it has already been long established that folks are not rushing out to buy long term care insurance in droves.

"One of the faults of this bill is its title. We really should be calling this a "caregiver" bill as it isn't meant to take care of needs in a nursing home.

"Mr. Speaker, I have said it before -- the deluge is coming! It happens to the best of us and will one day catch up to all of us. One out of ten American families are burdened with the costs of caregiving. And let me make it clear that I believe that family caregivers are among the best and most dedicated individuals in our society -- they ask for so little and give so much. Many of them are women who have been forced to give up their jobs and much of their social life to provide care to a

loved one. Family caregivers in the community are in strong support of this bill.

"Others who support this bill see and understand the problems that exist in the community: They are folks like the Commission on the Status of Women, Faith Action for Community Equity, Policy Advisory Board for Elderly Affairs, Coalition for Affordable Long Term Care, Hawaii Long Term Care Association, AARP, national Association of Social Workers, Health Care Association of Hawaii, and on and on.

"What makes this support deserving? Our citizens and our State government are facing significant economic challenges in order to pay for the growing long-term care costs of our senior and disabled population. These costs continue to add to our Medicaid burden.

"Thanks to a healthy lifestyle, good medical care, and sound public policy, Hawaii residents have the longest life expectancy in the United States, and one of the fastest growing elder populations.

"By 2020, one in every four people in Hawaii will be at high risk of requiring some level of long term care. The beauty of this program is that it is consumer driven, whereby the family can choose the services most appropriate for their elder. One could choose, for example, bath services twice a week for an individual not able to negotiate the shower alone. Other services might include household duties and assistance with meal preparation. These things seem simple when you are 30, but impossible at 85.

"One thing to remember about traditional long-term policies is that they are not always flexible. There are restrictions related to level of care and they don't last forever, either. The marriage of this consumer driven program with a traditional long term care policy could extend the period of time a family can avoid depletion of its resources for several years, by keeping folks out of institutional care.

"Please give this plan a chance. Rather than increasing our taxes, this may well decrease our taxes by discouraging dependence on Medicaid.

"The State of Hawaii is receiving national recognition for its efforts as a leader in long term care innovation.

"Our Medicaid costs are rising at an alarming rate -- we pay for Medicaid with our tax dollars, yet may never benefit from it. This plan has the potential to benefit all of us.

"I urge the members support."

Representative Thielen rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Thielen's written remarks are as follows:

"Mr. Speaker, I want to explain my opposition to the Long Term Care tax to you and my colleagues.

"House Bill 616 and Senate Bill 1088 of this Legislative Session appear to address the increasing need to finance LTC in the state of Hawaii. Unfortunately, when the details are examined, there are some serious problems with those two "CarePlus" bills. The proposed bills will hurt the economy, the poor, the young, and employers unnecessarily.

"First, the bills mandate a tax increase Hawaii can't afford. The bills seek to impose a long-term care income tax on all employed citizens, starting at \$144 per year in 2005 and

reaching \$276 in 2011. The combined State and local tax burden on Hawaii citizens is already the fourth-highest in the country. Research shows a direct relationship between a high tax burden and slow economic growth and, in the last decade Hawaii had the worst growth rate in the nation.

"Second, the bills create a flat tax that is unfair in placing a greater burden on the poor. Some of the poor would actually be the working elderly whom the tax is supposed to help. It is also unfair to younger people who are working because they will not benefit from lower rates for their good health. All participants are required to pay exactly the same amount into the fund regardless of the level of risk each brings into the risk pool. In fact, mandatory participation compels low-risk participants to subsidize high-risk participants.

"Third, employers will be required to modify their payroll systems in order to withhold the proposed tax from employees. For many small businesses, this will be a substantial burden.

"Fourth, the CarePlus program will not adequately cover nursing home costs. CarePlus provides only \$70 a day for only 1 year, after a resident pays into the fund for 10 years. The average nursing home stay is \$150 a day for 2.5 years.

"Finally, CarePlus fails to take on the real problems with the current Medicaid program. The current system forces individuals into bankruptcy in order to qualify for Medicaid coverage of nursing home care. Individuals must spend their assets before they can meet the qualification guidelines for Medicaid support for nursing home care.

"A much better alternative to address the LTC challenge is to provide tax incentives that offer financial relief and encouragement to residents who purchase LTC insurance. Maine, Minnesota, and Maryland are states that have successfully used tax credits to stimulate the purchase of LTC insurance.

"Tax credits would lead/encourage, rather than force, consumers to plan for LTC needs. They would allow Hawaii's citizens to take charge of their own destiny, rather than have government dictate the kind of plan that they can have.

"Over half of constituent-respondents to my legislative survey opposed the LTC tax. Some submitted comments that explain their opposition are:

- "The cost is just too high. The average seniors cannot afford it."
- "Many people are already paying into a Long Term Care (LTC) insurance program. Being forced to participate in an additional program would be unfair. Besides paying \$10/month and receiving \$70/day, benefits are far short of what is needed for a realistic LTC program, and would give those people a false sense of security. Tax credit for individuals and employers would help make it more affordable for people to get into an insurance program of their own."
- "All such payments would, in the old Hawaiian way, end up in the General Fund or in a Special Fund to be tapped by the Legislature at their will"
- "After what happened with the Hurricane Insurance, I don't trust the State to do anything right."

"In contrast, sixty-two percent of survey respondents favored a tax credit for the purchase of LTC insurance.

"Regrettably, when the details are examined, there are some serious problems with the CarePlus approach to dealing with the long-term care issue in the state of Hawaii. For those reasons, I support the tax credit approach to financing long-term care for Hawaii's citizens."

Representative Ontai rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ontai's written remarks are as follows:

"Mr. Speaker, there are two giant problems with this bill. First, it is a huge, macro-economic tax on the economy. Sure, it appears to be a reasonable, affordable tax per person, but in fact, it will take tens of millions of dollars out of the Hawaii economy. Is it a good reason? Yes, a good reason, but we get a paltry return for the investment. The second giant problem is that State Government appears to be getting into the insurance business. Through this bill, we are offering a long term care insurance plan that starts at \$10 per month and goes to \$25 per month in ten years. Compare with private insurance that offers flat premiums, once you begin. The government's insurance policy won't allow you to take benefits for 10 years after beginning to pay premiums. Compare with private insurance that allows you to take benefits either immediately or within 100 days, depending on your policy. The government's insurance policy expressed by this bill allows fixed benefits capped at \$70 per day and limited to 365 days. Compare with private insurance that allows you to take benefits for life. Furthermore, it may pay the whole cost for home care or up to 70% for nursing home care. Such a policy would clearly enable constituents a vast array of choices and benefits. Public Policy should strive to provide incentives for people to do the wise thing, not force tax payments into a system that certainly will prove inefficient and inferior to private insurance programs. For these reasons, I recommend our colleagues vote against this bad bill and bad policy initiative."

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

Representative Meyer's written remarks are as follows:

"Madame Speaker, I'm rising in opposition to SB 1088, SD 2, HD 2. This is the long-term tax for a short-term care bill. This bill creates a new withholding tax to pay for at-home care for the elderly or permanently impaired for 365 days - not exactly long term. The tax starts at \$10 a month and increases every year until it reaches \$23 a month in the 8th year. This new tax will take more than 3/4 of a billion dollars out of our economy in the first 10 years.

"Small businesses will be burdened with collecting and accounting for this new tax. This socialized scheme ends up rewarding unhealthy lifestyles since the premiums are not risk adjusted. It is a very regressive tax and burdens our young people.

"Madame Speaker, in addition the bill states that the board of trustees shall have the ability to recommend to the Legislature adjustments to the amount of the long-term income tax. You had better believe that it will be going up from the \$276 annual payment collected in 2012.

"When it comes to high state taxes, Hawaii is near the top of the chart. We now rank number four, and this bill will add to that burden in a big way.

"Start up costs for the Department of Taxation are estimated at \$2 million, and ongoing administrative costs for the

Department of Budget and Finance would begin at \$1 million. That's \$3 million out of the General Fund starting July, 2003, just to get this entitlement program started.

"We are still experiencing difficult economic times. Revenues to the General Fund are coming in at levels far below the Council of Revenue's projections. This is not the time to raise taxes on the hardworking people of Hawaii."

Representative Nishimoto rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"In opposition and I'm not going to put anything in the Journal because nobody will read it. I just want to bring out one point that maybe they can consider in Conference Committee. I spent twenty-five years in the Marine Corp. I earned the right to free medical. I am a disabled veteran. I have a right to have a VA home for long-term care if the military hospital can't take care of me. I'm just saying you should consider exemptions for people who don't need this care through the State tax policy. Thank you."

Representative Caldwell rose in support of the measure with reservations, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Caldwell's written remarks are as follows:

"I rise with reservations on SB 1088, SD 2. Long term care for our seniors is one of the most critical issues for Hawaii. It must be addressed sensibly and responsibly. However the devil is in the details. While I support the bill's intent, I have concerns.

"First, the tax credit will cover only \$70 of care per day for a total of 365 days over a two-year period. Only \$70 per day will not provide affordable or sensible coverage for our seniors. And second, many of our seniors will require more than 365 days of coverage. Third and finally, the tax is regressive in nature in that each taxpayer is assessed \$10, going up to \$20, no matter what their income level.

"I hope these concerns will be addressed in Conference so that I can support this critical legislation upon Final Reading."

Representative Mindo rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Waters rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

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

"Opposition. I would like to submit written comments into the Journal. But I would like to make just one point if I may. I would like to applaud the efforts of the Health Chairman as well as the many organizations who have helped to put this together. I don't doubt their sincerity, but I cannot support a tax increase."

Representative Ching's written remarks are as follows:

"Speaker of the House and fellow Representatives, I take this opportunity to state my opposition to this well-intentioned, but fundamentally flawed SB 1088, HD 2.

"My primary concern is that this tax is regressive. It affects the lower income citizen. It takes away the consumer choice of long term care insurance. This bill attempts to place a "one-size fits all" remedy for a growing problem that defies such intentions.

"Insurance premiums are based on risk. The healthy and young pay the lowest premiums, while the old and infirm pay the highest, if they can get insurance. Why should the young and healthy pay the risk premium for the elderly? This proposal does just that. We should be concentrating on bills such as SB 1399, which promotes the purchase of LTC insurance through credits and incentives.

"Furthermore, implementing such a tax would remove over \$100,000,000 from our economy each year, while increasing the costs of collection for our tax services, business payrolls, and employees. I believe such money should be re-invested in our economy at the discretion of our consumers.

I ask all of my fellow Representatives to think in the best interests of the taxpayer. They want more choices, more incentives, more credits, and certainly not more taxes. Thank you for your consideration."

Representative Fox rose and stated:

"May I submit remarks in rebuttle?"

Representative Fox's written remarks are as follows:

"Mr. Speaker, in opposition. Hawaii should not want to separate itself from the rest of the nation as the only state attempting to finance a long-term care program on the backs of its taxpayers. Every other state that is gripped by the magnitude of the long-term care problem, which is a large and growing cost for governments and families, is engaged in a dialogue with Washington about how the federal government can help solve this problem. Mr. Speaker, as you know, the Feds and the states share the costs of Medicaid, which largely finances long-term care today. And as you know, the federal government bears the burden of health care for the elderly through its Medicare program. The Feds are already involved. They should be more involved, not less involved. Only Hawaii, out of fifty states, proposes the pick up the burden that should be laid at the feet of Washington. Why? Can we afford to substitute for Washington? Can we afford to go it alone? I think not. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1088, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," passed Third Reading by a vote of 34 ayes to 15 noes, with Representatives Blundell, Bukoski, Ching, Evans, Finnegan, Jernigan, Leong, Meyer, Moses, Ontai, Pendleton, Sonson, Stonebraker, Tamayo and Thielen voting no, and Representatives Schatz and Wakai being excused.

The Chair directed the Clerk to note that S.B. No. 1088, SD 2, HD 2 passed Third Reading at 5:24 o'clock p.m.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1508) recommending that S.B. No. 44, SD 2, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and S.B. No. 44, SD 2, HD 2, pass Third Reading, seconded by Representative Lee.

At this time, Representative Thielen offered Floor Amendment No. 12, amending S.B. No. 44, SD 2, HD 2, as follows:

SECTION 1. Senate Bill No. 44, Senate Draft 2, House Draft 2, is amended by deleting its contents and replacing it with the following language to read as follows:

"SECTION 1. The State is currently required to award the concession for the sale and delivery of in-bond merchandise to state airports to a single concessionaire. This creates a monopoly that does not exist in any other concession. This monopoly has severely limited the number of bidders for this concession, as evidenced by the fact that only one bid has been received for each of the last three leases that have been offered for bid. The combination of the size of the concession and the lack of competition for the contract has resulted in a circumstance where the State is dependent on a single concessionaire and where the State cannot afford to let the concessionaire fail.

The purposes of this Act are to spur competition for the concession and reduce the State's dependency on a single company.

SECTION 2. Section 261-7, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

"(c) The department ~~[shall] may~~ enter into ~~[a contract with no more than one person ("contractor")] contracts~~ for the sale and delivery of in-bond merchandise at ~~[Honolulu International Airport; any state airport]~~, in the manner provided by law. The ~~[contract shall] contracts may~~ confer the right to operate and maintain commercial facilities within ~~[the airport] any state airport~~ for the sale of in-bond merchandise ~~[and] or~~ the right to deliver to ~~[the airport] any state airport~~ in-bond merchandise for sale to departing foreign-bound passengers~~[-]; or both~~.

The department ~~[shall] may grant [the contract] contracts to one or more persons ("contractors")~~ pursuant to the laws of this State and may take into consideration:

- (1) The payment to be made on in-bond merchandise sold at ~~[Honolulu International Airport] any state airport, or any combination of state airports, or all state airports; [and]~~
- (2) ~~The payment to be made~~ on in-bond merchandise displayed or sold elsewhere in the State and delivered to ~~[the airport; any state airport, or any combination of state airports, or all state airports;~~
- ~~(2)~~ (3) The ability of the ~~[applicant] applicants~~ to comply with all federal and state rules and regulations concerning the sale and delivery of in-bond merchandise; and
- ~~(3)~~ (4) The reputation, experience, and financial capability of the ~~[applicant-] applicants~~.

The department shall actively supervise the ~~[operation] operations~~ of the ~~[contractor] contractors~~ to ~~[insure its effectiveness;] ensure the operations are effective and efficient~~. The department shall develop and implement such guidelines as it may find necessary and proper to actively supervise the operations of the ~~[contractor-] contractors~~, and shall include guidelines relating to the department's review of the reasonableness of ~~[contractors] the contractors'~~ price schedules, quality of merchandise, merchandise assortment, operations, and service to customers.

~~[Apart from the contract described in this subsection, the department shall confer no right upon nor suffer nor allow~~

~~any person to offer to sell, sell, or deliver in-bond merchandise at Honolulu International Airport; provided~~

~~that this]~~ This section shall not prohibit the delivery of in-bond merchandise as cargo to ~~[the Honolulu International Airport; any state airport]~~.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effective on July 1, 2003."

Representative Fox rose and stated.

"Mr. Speaker, I should have had a no vote on the previous measure. I realize it's entirely out of order."

The Chair responded, stating:

"Yes, so we cannot record the no vote at this time. I'm very sorry, Representative Fox."

Representative Thielen rose and stated:

"Thank you, Mr. Speaker. Actually his remarks in the Journal will show that he was voting no."

Speaker Say: "But on the vote it will reflect an aye vote, even though he stated it for no."

Representative Thielen: "Right so the Journal ..."

Speaker Say: "Well, it's how the people are going to interpret the vote of the Minority Leader."

Representative Thielen moved that Floor Amendment No. 12, be adopted, seconded by Representative Bukoski.

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

"Mr. Speaker, this amendment is to S.B. 44 which is the airport concessionaires economic relief measure on our Order of the Day. Standing Committee Report 1508. Mr. Speaker, the State is currently required to award the concession for the sale on delivery of in-board merchandise to State airports to a single concessionaire. This creates a monopoly that does not exist with any other concession. This monopoly has severely limited the number of bidders for this concession as evidenced by the fact that only one bid has been received for each of the last three leases that have been offered for bid. And this one bid has been from Duty Free Shoppers. The combination of the size of the concession and the lack of competition for the contract is resulted in circumstances where the State is dependent upon the single concessionaire, Duty Free Shoppers, and where the State cannot afford to let the concessionaire fail.

"The purposes of this amendment are to spur competition for the concession and to reduce the State's dependency on this single company. Currently as I've mentioned, the State is required to enter into a lease contract with only the one duty free concessionaire, Duty Free Shoppers. In awarding that contract, the State pursuant to law considers payment on not only duty free merchandise sold at the airport but also on duty free merchandise sold elsewhere and delivered to the airport. Presently as I mentioned, only Duty Free Shoppers is situated to do both, and only Duty Free Shoppers has submitted bids for the last three lease contracts. This lack of competitive bidding is not in the State's best interest. Mr. Speaker, it amounts to an unregulated monopoly and adversely affects the State's ability

to enforce the terms of the contract or to negotiate appropriate adjustments to those terms when that is demanded by the tenant.

"This amendment that is before the Members provides the State with needed flexibility in this area. The bill gives the State the option of selecting more than one duty free concessionaire and allows duty free concessionaires at other State airports and removes the now required link between the airport concessions and merchandise delivered to the airport. This bill fosters competition in both the bidding process and in the operations of the concessionaires. Mr. Speaker, this isn't the gladiator, and Duty Free Shoppers is not Russell Crowe.

"Duty Free Shoppers with its French connection is using the small concessionaires as a shield in Duty Free Shoppers' fight to avoid payment of the millions that it owes the State. In other words, all of us have received numerous letters, petitions signed by the small concessionaires. Duty Free Shoppers is putting them out in front as the shield to protect itself as it tries to avoid payments of the millions that it owes to the State. The State currently can and does negotiate to modify the terms of the concessionaire contracts with the small concessionaires when it's appropriate to do so. And nearly all of these small concessionaires have been current in their rents or negotiating with the State in a forthright manner. Duty Free shoppers with its French connection..."

Representative Souki rose to a point of order, stating:

"Point of order, Mr. Speaker. I believe she's not speaking on the amendment. She seems to be speaking on the main motion."

At 5:30 o'clock p.m., Representative Fox requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:31 o'clock p.m.

Representative Thielen continued, stating:

"Merci, Mr. Speaker. Anyway as I was saying, Duty Free Shoppers with its French connection is really using the small concessionaires as the shield as it attempts to avoid paying what it owes to the State. This is unfair to the small concessionaires Mr. Speaker, because they are in negotiations with the State ..."

Representative Souki rose to a point of order, stating:

"Point of order. She's again not speaking on the amendment. She is speaking on the main bill. Please have her talk on the amendment."

The Chair addressed Representative Thielen, stating:

"Representative Thielen, I think after our recess the Chair did recognize that if you talk about the main motion which is dividing a single contract into other subleases, you may address that particular amendment."

Representative Thielen continued, stating:

"That's correct. And anyway Mr. Speaker, the small concessionaires are already in negotiations with the Administration and they are either current in their rents or they're negotiating in a very forthright manner. Our French connection on the other hand is unilaterally been paying this State only what it thinks it can afford while transferring huge amounts of money to its French parent to pay back so-called

'loans'. Thus instead of Duty Free Shoppers or its parent company accepting any part of a risk of a business venture, all risks according to Duty Free shoppers should be borne by the State of Hawaii, or more accurately by its taxpayers. This is the situation we are in because we do not have a law such as the amendment before the Members. And this bill before the Members will allow us to have competition brought back in and to reduce the State's, eliminate the State's, dependency on this single French company. Thank you."

The Chair then stated:

"Representative Thielen, thank you very much. I was going to ask Representative Jernigan for your five minutes, but that's okay."

Representative Souki rose to speak in opposition to the proposed amendment, stating:

"Yes, Mr. Speaker. I wish to speak against the amendment. Mr. Speaker, an attempt has been made before. In January of 1981, the State entered into a seven and one half year contract at Honolulu International Airport. Less than nine months later, one duty free operator defaulted in contract because of inability to meet its financial guarantees to the State. Mr. Speaker and Members, there's not enough customers to support numerous duty free businesses as the amendment attempts to give the Administration an option to do. Even the administration is not looking for duty free shops on every aisle and have an individual businesses bidding for it. I think it should be remembered Mr. Speaker, that if this duty free, if you split it in two, it goes into default, the result is going to be an increase in landing fees for the airlines.

"The present system that we have prior to September 11, and prior to this war that we have now, has been probably the most efficient in the nation. It has provided more revenue than any other duty free in the whole world. And the benefit of that has been lower landing fees for all of the airlines. In fact, the system that we have with duty free providing over 60% of the cost of operating the airport with the airlines providing only 40% ..."

Representative Thielen rose to a point of order, stating:

"Point of order. I don't believe that he's speaking to the amendment at all. Not even remotely."

The Chair responded, stating:

"Representative Thielen, he's speaking to the amendment in regards to the separation of a major lessee versus a lot of lessees statewide. So he's addressing the floor amendment in regards to keeping it the way, or he's opposing the amendment whereby he's saying leave it as one entity. And he's saying for the record that it is 60% of ..."

Representative Thielen: "It seems to me Mr. Speaker, he's traveling far a field."

Representative Lee rose to a point of order, stating:

"Point of order, Mr. Speaker. The speaker is out of order because you have already made a ruling."

Speaker Say: "Yes. Representative Thielen, please be seated."

Representative Souki: "Yes, Mr. Speaker. I will conclude my remarks. Thank you very much, Mr. Speaker."

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

"Mr. Speaker, I rise in opposition. We've heard a lot about some French company. Now I want to talk about the reality. Mr. Speaker, today Japan Airlines announced they were canceling another flight from Japan to Honolulu. Thus on top of the one that they have already canceled since the second Gulf War, along with ANA and Northwest. That amounts to over 1,000 seats a day. About one-fourth of the total seat capacity coming from Japan to Honolulu on a daily basis. Now this makes it very difficult for the concessionaires, large or small, to operate out at our airports given the change of circumstances after 9/11. It's a totally different economic environment that they face and yet we expect them to compete and operate under these contracts negotiated prior to 9/11.

"Now the amendment that's been proposed, maybe it's unintentional, but I'm not so certain as to what this does. And basically what it does is it interferes with a lawsuit that's now been filed by the State of Hawaii against Duty Free. And I think the proper course is to allow that lawsuit to run its course and not to interfere with this legislation that basically, by cleverly changing the word 'shall' to 'may', by breaking up the contracts, would allow the State to negotiate new contracts both at the airport and Waikiki with more than one vendor.

"Mr. Speaker, let the litigation run its course. The speaker from Kailua should know better and we'll deal with this at another time."

Representative Fox rose to a point of order stating

"Point of order. This is basically the direct allusion to the motives of the previous speaker."

At this time, the Chair stated:

"Members, I know we have had a very long day. It's close to nine hours of educational public debate. Is there any further discussion?"

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

"In support of the amendment. The previous speakers' referred to the situation. We need a renegotiation of what's going on between Duty Free and the State. I think both parties acknowledge that that's the direction that we have to go. Situations have changed since 9/11. The question is how do we get to a serious, meaningful negotiation. The purpose of the amendment is to bring us to that point. Duty Free talking about bankruptcy in connection with Duty Free is difficult to understand when we know that it is primarily held by a very large, very wealthy, multi-billion dollar corporation with deep pockets. So, to get serious about negotiations we have to change the terms that affect the parties as they come to the table.

"We have to introduce competition into the picture. As long as it's one contract, there's only one party that has an operation in Waikiki and also an ability to conduct duty free operations at the airport. If we break that up, we then allow the terms of negotiation to be altered, we make the playing field more even to parties to come to the table that are both big and both able to take care of themselves, and under those circumstances we can re-negotiate the situation. But we do need competition for the airport concession for Duty Free to take the State seriously. Thank you, Mr. Speaker."

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

"Thank you. In support. In rebuttal because I support this but it has already been said by the previous speaker. This amendment does not affect any lawsuit going on now. If passed, this is prospective and would not affect any lawsuit that has to do with pass due rents. If the underlying bill is passed, it would perhaps interfere. But this amendment is completely prospective and would not influence whatsoever in any way litigation that references the past."

Representative Luke rose to speak in opposition to the proposed amendment, stating:

"Mr. Speaker, briefly in opposition. I don't want to talk about the impending lawsuit, or DFS, or what's going on right now, I want to talk about the amendment itself. And the reason why I oppose this amendment is, currently airport special fund, how the concessionaire is paid or they pay into the special fund, is I believe like this. They pay a base rent and in addition to the base rent, whatever they make on top of that in sales, they give that money to the Airport Special Fund. I think this concept isn't new, providing competition between the concessionaires. The problem with this idea is that when there's competition, what the competing concessionaires do is they try to outbid each other, and actually lower the cost in the products and what that results in is a lower amount of money that is paid into the special fund.

"I guess the bottom line is it could be good for the consumers and the people that shop at DFS, or the concession, but it's bad for the Airport Special Fund. Because the increase in competition, although in the real market might sound good, but in this situation, it doesn't work for the Airport Special Fund. Thank you."

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

"Mr. Speaker, just briefly in favor of the amendment. Short rebuttal to the Vice Speaker. I believe that in the 80s there were two concessions for duty free sales and they both bid into the fund. They did not compete against each other and the airport fund did not suffer as a result. Thank you."

Representative Souki rose and stated:

"I speak in favor. One of the bidders..."

Representative Thielen: "Is he in favor of the amendment, Mr. Speaker?"

Speaker Say: "In opposition to the amendment."

Representative Souki: "This is in rebuttal."

Speaker Say: "In opposition to the amendment. Representative Souki, please proceed."

Representative Souki rose to respond, stating:

"Yes, Mr. Speaker. I am in opposition to this amendment. Strong opposition. And I wish I wouldn't be bothered all the time when I attempt to speak. Someone from the Windward side always interrupts my speech here Mr. Speaker.

"I just want to make mention that in 1981, one of the bidders went in default and that is one of the problems when you have more than one bidder. The further to say, Mr. Speaker and Members, it is a competitive bid now. Everyone has an opportunity to bid on duty free. It's not like they can't bid. So when the bid time comes, have your friends come in and bid against Duty Free. Thank you very much, Mr. Speaker."

At this time the Chair called for a roll call vote and by unanimous consent, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 12, amending S.B. No. 44, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," be adopted, was put to vote by the Chair and failed to carry on the following show of Noes and Ayes:

Noes, 34: Representatives Abinsay, Arakaki, Caldwell, Chang, Evans, Hale, Hamakawa, Herkes, Ito, Kahikina, Kaho`ohalahala, Kanohe, Karamatsu, Kawakami, Lee, Luke, Magaoy, Mindo, Morita, Nakasone, Nishimoto, M. Oshiro, B. Oshiro, Saiki, Say, Shimabukuro, Sonson, Souki, Takai, Takamine, Takumi, Tamayo, Wakai and Waters.

Ayes, 15: Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Thielen.

Excused, 2: Representatives Hiraki and Schatz.

Main Motion:

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

"Mr. Speaker, I rise in opposition. After 9/11, the Legislature met in Special Session and the most significant piece of legislation to come out of that Session probably, the only bill I can recall, was an \$18 million measure to help airport concessionaires. We help these airport businesses and not other businesses off-site in the rest of the State. We learn later that \$16 out of the \$18 million went to one large entity. They got the 'lion's share'. Other concessionaires got the balance.

"The lobbying effort then and now with the present bill has been primarily by the small concessionaires, as alluded to by the Representative from Kailua. And I call them 'human shields'. They have been the human shields for this large foreign entity that is again pleading for relief. We all need help, but this help comes at the expense of the airlines and the airport fund and the airline also pay into our airport fund. A diminution in this fund, even though it currently has a very large balance, may result in an increase in airport landing fees and the airlines would not appreciate that. And whether we like it or not, the airlines are Hawaii's lifeline.

"So I would ask that you consider voting no on this measure. I think if we should've known that war was always a possibility, they could not have foreseen the details of 9/11. But we're in the middle of the Pacific. Anything in the Pacific Rim could always affect us. So I think that because there's a downturn in business, and economy should not affect duty free, I think they should have foreseen that there's ups and downs in the economy and in world politics. I urge you all to vote no. Thank you."

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

"Mr. Speaker, I rise in support. Mr. Speaker, the operations at the Honolulu International Airport are primarily funded by two sources: airline landing fees and airport concessionaire rental payments.

"With the threat of terrorist attacks, the Federal Homeland Security mandates have greatly affected the flow of people

going through our airport. Long lines prevent travelers from purchasing at the concessionaire stores. Further, families and friends who used to enter the airport terminal to greet or send off passengers at the gate are now stopped at the security check points and cannot enter the area of the airport where the concessionaires conduct business.

"Let us consider the largest vendor, Duty Free Shoppers Hawaii, (DFS): a company that employs 1,200 Hawaii residents and pays tens of millions of dollars a year in State taxes. In its 40 years of doing business, DFS has never been held in default on an airport concession agreement anywhere in the world. This company has generated approximately \$2.5 billion for the Hawaii airport system. Keep in mind that this is a company that had humble beginnings as small little store in Waikiki.

"In addition in giving relief, it is important to note that in regard to DFS, like the airlines, government heavily regulates them, as a majority of DFS' customers must be international travelers. Therefore, DFS is not your average store where all merchandise can be sold to anybody. When asked in the House Finance Committee why the concessionaires pay a higher percentage of the operating fund for the Honolulu International Airport when airports in other states require much lower percentage from their concessionaires, the Department of Transportation replied, that the reasoning was DFS has a Waikiki store outside of the airport. However, had it not been for the DFS Waikiki store, the State would not have been able to receive \$2.5 billion from them.

"That being said, let me clear up some confusion as to DFS' rental payment to the State. It is true the company made a required partial debt repayment of \$100 million to its primary financial creditor, LVMH, Moet Hennessy Louis Vuitton. But consider this in the post-9/11 airline and airport related business environment, it is risky for corporations to assume the financial risk in supporting companies such as DFS. In order for DFS to survive it had to pay its primary creditor, Louis Vuitton to receive continued financial support from them so it can pay its airport rents. Recently the company made a \$25 million rental payment to the State and it would not have been able to do so if it went bankrupt. Instead, DFS wants to be a contributing member in Hawaii by providing jobs and bringing revenue into the State.

"In the aftermath of 9/11, much of the airline landing fees have been waived or greatly reduced by the State of Hawaii in addition to relief from Congress. Likewise we must do what we can to help the concessionaires who in the past 20 years has contributed close to 60% of airport operating revenues when the airlines contributes close to 10%. For most airports, these percentages are reversed and relief for concessionaires was given. For example, in California, LAX Airport recently provided relief to DFS by suspending their minimum rent of \$37 million a year until 2005. Instead DFS will pay 23% of sales this year, 27% in 2004 and 28 to 39% through mid-2005 depending on its sales.

"We must not allow government regulations to smother the businesses in our airport or the State may be left with even less revenue from them or none at all. The airport concessionaires were offering to pay DOT rents they can afford with the DOT having the right to replace them if someone is willing to pay 10% more rent. If replaced by a new tenant and not penalized and barred from future re-bidding, the airport concessionaires agree to make no claims against DOT and suffer the loss of any improvements and any losses relating to the cancellation of their office, warehouse and equipment leases. This offer by the concessionaires shows their good faith effort to remain in business, keep Hawaii's people employed and generate revenues for our State.



"In this period of global turmoil, we do not always have the ideal alternatives before us. Sometimes we need to make a decision that is right for the times and such circumstances we live in. This is the right choice for this time and under these circumstances. Thank you."

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

"I rise in support of this measure. Mr. Speaker, the free flow of customers to concessionaire store-steps is over. For 20 years prior to the terroristic attacks, airport concessionaires contributed up to 60% of their revenues in the States airports. Currently the Airport special fund has a surplus of \$360 million. The concessionaires have contributed a sizable chunk of that amount. There is no urgency in keeping revenues at the airport flowing at this current levels and a temporary reprieve seems fair. Relief has been given to concessionaires in Denver, Los Angeles and Boston. During good times, concessionaires poured money into the airport. Now during hard times, we're playing hardball with them. Last week, the Airport Director could not tell the Finance Committee of a single vendor who is eager to leave space at the airport. If we kick the concessionaires to the curb, we will have a barren airport. Is that the first and last impression we want to leave with our tourist? Thank you, Mr. Speaker."

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

"I rise in opposition to this measure. My major concern on this is that we will be setting a precedent here. This is a lot of people other than at the airport that have leases and revocable permits and such with the State and all of these people could come to the State and say, "Hey, I'm having tough times now and I can't afford to pay any rent so I need relief." And I think that by passing this we are opening the door for this kind of thing to happen. Thank you, Mr. Speaker."

Speaker Say: "We've had a lot of discussion Members."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. This bill provides further economic relief and assistance to airport concessionaires affected by the economic downturn caused by the terrorist attacks on September 11, 2001. The bill also allows airport concessionaires who have had their concession agreements terminated to recover their bonds and deposits and not be barred from doing business with the state for five years as provided by present law.

"The nature of business for airport concessionaires took a drastic turn after those attacks. The amount of passengers flying decreased suddenly and for a prolonged period of time. The increased security restricted access to the concession businesses to only those individuals bearing a ticket. Either of these would be tough for a business to absorb, both of them occurring simultaneously put the concessions in a precarious financial position.

"The Federal Aviation Administration noted various concerns about guaranteeing profits, rents below fair market price, and permanent relief for concessionaires. This measure does none of those things. I believe this measure is within the bounds of FAA guidelines and is similar to policies at Denver, Los Angeles, Boston, Dallas, and Portland airports. The bill is

a good compromise between income for the airports and avoiding unfair penalties to concessionaires.

"I urge my colleagues to vote "aye" on this measure. Thank you."

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

"I just have some reservations I want to bring forward. My main reservation is Section 7 on the last page of the bill. It says that Section 1, 2, 4 and 5 shall apply retroactively to September 11, 2001. I believe this prohibits the current lawsuit from going forward. Not being a lawyer, I'm not sure, so I'd like some clarification on that. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 44, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 41 ayes to 8 noes, with Representatives Bukoski, Ching, Finnegan, Halford, Jernigan, Leong, Marumoto and Thielen voting no, and with Representatives Hiraki and Schatz being excused.

The Chair directed the Clerk to note that S.B. No. 44, SD 2, HD 2 passed Third Reading at 5:57 o'clock p.m.

#### LATE INTRODUCTION

Representative Saiki introduced Ms. Haunani Apoliona, Chair of the Office of Hawaiian Affairs Board of Trustees

#### S.B. No. 459, SD 1, HD 1:

Representative Saiki moved S.B. No. 459, SD 1, HD 1, pass Third Reading, seconded by Representative Lee.

At this time, Representative Fox offered Floor Amendment No. 13, amending S.B. No. 459, SD 1, HD 1, as follows:

SECTION 1. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 1 to read as follows:

"SECTION 1. The legislature finds that reforms are needed to restore the public's confidence in the integrity of the election process by reducing the influence of reliance on campaign contributions.

Accordingly, this Act amends Hawaii's campaign spending laws to:

- (1) Prohibit fundraising in buildings being used for state or county purposes;
- (2) Prohibit contributions by government contractors with contracts over \$25,000;
- (3) Prohibit use of campaign contributions for personal expenditures;
- (4) Amend the registration requirements for candidates seeking reelection;
- (5) Conform to a court's decision invalidating the Campaign Spending Commission's code of fair campaign practices and ability to censure candidates who fail to comply with the code;
- (6) Amend the campaign contributions limits to \$4,000 for candidates seeking offices of four-year terms, \$2,000 for

candidates seeking offices of two-year terms, \$2,000 for noncandidate committees in a two-year election period, \$5,000 per year for a party, and a maximum limit of \$25,000 in the aggregate for all contributions from an individual in a two-year election period;

- (7) Prohibit campaign contributions, in excess of \$6,000 in the aggregate, from corporations, labor organizations, member organizations, cooperatives or corporations without capital stock, except through separate segregated funds;
- (8) Clarify that excess contributions must be returned within thirty days or they will escheat to the Hawaii election campaign fund;
- (9) Make falsifying reports with intent to circumvent the law or deceive the commission a class C felony;
- (10) Clarify that a person who is prosecuted and convicted of campaign violations is not subject to administrative enforcement;
- (11) Amend the public funding provisions to require qualifying contributions from residents of Hawaii only and to eliminate the ability of candidates to obtain public funding for special elections;
- (12) Require the commission on campaign spending to adopt a schedule of administrative fines for categories of violations; and
- (13) Add definitions and clarify other terms for consistency of application."

SECTION 2. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 3 to read as follows:

"SECTION 3. Section 11-191, Hawaii Revised Statutes, is amended as follows:

1. By adding four new definitions to be appropriately inserted and to read:

"Corporation" means any corporation for profit, including professional corporation and limited liability partnership or company.

"Independent expenditure" means a cost incurred by a person or noncandidate committee other than a candidate or candidate's committee for a communication that is disseminated during thirty calendar days before a primary election or a general election that expressly advocates for the election or defeat of a candidate and is made without the participation, cooperation, or coordination of a candidate or candidate's committee, or their authorized agents.

"Labor organization" means any organization or employee representation committee, in which employees participate and which exists for the purpose, in whole or in part, of collective bargaining or dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"Separate segregated fund" means an entity set up by any corporation, labor organization, membership organization, cooperative, or corporation without capital stock for the purpose of establishing a fund from which contributions or expenditures are made to influence the nomination for election, or election of any candidate."

2. By amending the definitions of "candidate's committee", "committee", "contribution", "election period", "expenditure", and "noncandidate committee" to read:

"Candidate's committee" means a committee as defined in this section which makes an expenditure or accepts a contribution in behalf of a candidate with the candidate's authorization. A candidate shall have only one authorized candidate's committee.

"Committee" means:

- (1) Any individual, organization, corporation, association, or [individual] separate segregated fund that accepts or makes a contribution or makes an expenditure for or against any:
  - (A) Candidate;
  - (B) Individual who files for nomination at a later date and becomes a candidate; or
  - (C) Party;

(A) Candidate;

(B) Individual who files for nomination at a later date and becomes a candidate; or

(C) Party;

with or without the authorization of the candidate, individual, or party. In addition, the term "committee" means any organization, corporation, association, or individual who accepts or makes a contribution or makes an expenditure for or against any question or issue appearing on the ballot at the next applicable election; or

- (2) Any organization, corporation, association, or individual that raises or holds money or anything of value for a political purpose, with or without the consent or knowledge of any:
  - (A) Candidate;
  - (B) Individual who files for nomination at a later date and becomes a candidate; or
  - (C) Party; and

(A) Candidate;

(B) Individual who files for nomination at a later date and becomes a candidate; or

(C) Party; and

subsequently contributes money or anything of value to, or makes expenditures on behalf of, the candidate, individual, or party.

Notwithstanding any of the foregoing, the term "committee" shall not include any individual making a contribution or expenditure of the individual's own funds or anything of value that the individual originally acquired for the individual's own use and not for the purpose of evading any provision of this subpart, or any organization, which raises or expends funds for the sole purpose of the production and dissemination of informational or educational advertising.

"Contribution" ~~means:~~ includes:

- (1) A gift, subscription, deposits of money or anything of value, or cancellation of a debt or legal obligation and includes the purchase of tickets to fundraisers for the purpose of:
  - (A) Influencing the nomination for election, or election, of any person to office;
  - (B) Influencing the outcome of any question or issue that appears or is reasonably certain to appear on the ballot at the next applicable election described in subparagraph (A); or

(A) Influencing the nomination for election, or election, of any person to office;

(B) Influencing the outcome of any question or issue that appears or is reasonably certain to appear on the ballot at the next applicable election described in subparagraph (A); or

- (C) Use by any party or committee for the purposes set out in subparagraph (A) or (B);
- (2) The payment, by any person, political party, or any other entity other than a candidate or committee, of compensation for the personal services or services of another person that are rendered to the candidate or committee without charge or at an unreasonably low charge for the purposes set out in paragraph (1)(A), (1)(B), or (1)(C); or
- (3) A contract, promise, or agreement to make a contribution; ~~provided that notwithstanding this paragraph and paragraphs (1) and (2), the term "contributions" shall not include services or portions thereof voluntarily provided without reasonable compensation by individuals to or in behalf of a candidate or committee; or~~].

[4] Notwithstanding paragraphs (1), (2), and (3), a candidate's expenditure of the candidate's own funds or the making of a loan or advance in the pursuit of the candidate's campaign shall not be a contribution for the purpose of this subpart but shall nevertheless be reportable as a campaign receipt.

The term "contribution" does not include:

- (A) Value of services provided without compensation by any individual who volunteers on behalf of a candidate or candidate's committee, noncandidate committee or party; and
- (B) Independent expenditures and electioneering communications.

"Election period" means the two-year period between general election days ~~[if a candidate is seeking nomination or election to a two-year office and the four-year time period between general election days if a candidate is seeking nomination or election to a four-year office]~~.

"Expenditure" ~~[means:]~~ includes:

- (1) Any purchase or transfer of money or anything of value, or promise or agreement to purchase or transfer money or anything of value, or payment incurred or made, or the use or consumption of a nonmonetary contribution for the purpose of:
- (A) Influencing the nomination for election, or election, of any person seeking nomination for election, or election, to office whether or not the person has filed the person's nomination paper;
- (B) Influencing the outcome of any question or issue that has been certified to appear on the ballot at the next applicable election; or
- (C) Use by any party or committee for the purposes set out in subparagraph (A) or (B);
- (2) The payment, by any person other than a candidate or committee, of compensation for the personal services of another person that are rendered to the candidate or committee for any of the purposes mentioned in paragraph (1); ~~or~~
- (3) The expenditure by a candidate of the candidate's own funds for the purposes set out in paragraph (1)~~[-]; and~~

~~(4) Any payment made from a candidate or a candidate's committee to any community service, educational, youth, recreational, charitable, scientific, or literary organization.~~

~~[(4)]~~ The term does not include volunteer personal services and voter registration efforts that are not partisan.

"Noncandidate committee" means a committee as defined in this section and includes any separate segregated fund but does not include a candidate's committee."

SECTION 3. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 7 to read as follows:

"SECTION 7. Section 11-204, Hawaii Revised Statutes, is amended to read as follows:

**"§11-204 Campaign contributions; limits as to persons.**

- (a) (1) No person ~~[or any other entity]~~ shall make contributions to:
- (A) ~~A candidate seeking nomination or election to a two-year office or to the candidate's committee in an aggregate amount greater than \$2,000 during an election period;~~
- (B) ~~A candidate seeking nomination or election to a four-year statewide office or to the candidate's committee in an aggregate amount greater than \$6,000 during an election period; and~~
- (C) ~~A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.]~~
- (A) A candidate seeking nomination or election to a four-year term of office, or the candidate's committee, of an amount greater than \$4000 in the aggregate, for that election in which the candidate seeks office; or
- (B) A candidate seeking nomination or election to a two-year term of office, or the candidate's committee, of an amount greater than \$2000 in the aggregate, for that election in which the candidate seeks office.

These limits shall not apply to a loan made to a candidate by a financial institution in the ordinary course of business.

- (2) For purposes of this section, the length of term of an office shall be the usual length of term of the office as unaffected by reapportionment, a special election to fill a vacancy, or any other factor causing the term of the office the candidate is seeking to be less than the usual length of term of that office.

~~(b) No person [or any other entity] shall make contributions to a noncandidate committee, in an aggregate amount greater than \$1,000 in an election; except that in the case of a corporation or company using funds from its own treasury, there shall be no limit on contributions or expenditures to the corporation or company noncandidate committee.] \$2,000 in any election period.~~

(c) No person shall make contributions to a party, which in the aggregate, exceed \$5,000 in any calendar year.

(d) Noncandidate committee contribution limits shall be the same as those for persons.

(e) No individual shall make contributions aggregating more than \$25,000 in any election period.

(f) (l) A candidate's immediate family, in making contributions to the candidate's campaign, shall be exempt from the above limitation, but shall be limited in the aggregate to \$50,000 in [any] an election [period]. The aggregate amount of \$50,000 shall include any loans made for campaign purposes to the candidate from the candidate's immediate family.

(g) (g) A contribution by a dependent minor shall be reported in the name of the minor but shall be counted against the contribution of the minor's parent or guardian.

(h) (h) Any candidate, candidate's committee, or committee that receives in the aggregate more than the applicable limits set forth in this section [in any primary, initial special, special, or general election from a person,] shall be required to [do one of the following:

- (1) Regardless of whether the excess donation was inadvertently made, to transfer an amount equal to any excess over the limits established in this section to the Hawaii election campaign fund within thirty days of receipt of the contribution, and in any event, no later than thirty days upon the receipt by a candidate, candidate's committee, or committee, of notification from the commission; or
- (2) If the excess donation was inadvertently made, to return to the donor any excess over the limits established in this section and to notify the commission within thirty days of receipt of the contribution.]

return any excess contribution to the original donor within thirty days from receipt of the excess contribution or submit the excess contribution to the Hawaii election campaign fund. After thirty days from receipt, all excess contributions not returned to original donors shall escheat to the Hawaii election campaign fund. A candidate, candidate's committee, or committee who complies with this subsection prior to the initiation of prosecution shall not be subject to any penalty under section 11-228.

(i) (i) All [payments] contributions made by a person or political party whose contributions or expenditure activity is financed, maintained, or controlled by any corporation, labor organization, association, political party, or any other person or committee, including any parent, subsidiary, branch, division, department, or local unit of the corporation, labor organization, association, political party, political committees established and maintained by a national political party, or any other person, or by any group of those persons shall be considered to be made by a single person or political party.

(j) (j) A contribution made by two or more corporations shall be treated as one person when such corporations:

- (1) Share the majority of members of their boards of directors;
- (2) Share two or more corporate officers;
- (3) Are owned or controlled by the same majority shareholder or shareholders; or
- (4) Are in a parent-subsidiary relationship.

(k) (k) An individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.

(l) (l) No committee [which] that supports or opposes a candidate for public office shall have as officers individuals who serve as officers on any other committee which supports or opposes the same candidate. No such committee shall act in concert with, or solicit or make contributions on behalf of, any other committee.

(m) (m) No contributions or expenditures shall be made to or on behalf of a candidate or committee by a foreign national [or foreign corporation, including a domestic subsidiary of a foreign corporation, a domestic corporation that is owned by a foreign national, or a local subsidiary where administrative control is retained by the foreign corporation, and] in the same manner prohibited under 2 United States Code section 441e and 11 Code of Federal Regulations 110.4(a) and 110.9(a), as amended. [No foreign owned domestic corporation shall make contributions where:

- (1) Foreign national individuals participate in election-related activities such as decisions concerning the making of contributions or the administration of a political committee; or
- (2) The contribution funds are not domestically derived.]

(n) (n) No person or any other entity other than political committees established and maintained by a national political party shall make contributions to a political party in an aggregate amount greater than \$25,000 in any two-year election period. No political committee established and maintained by a national political party, shall make contributions to a political party in an aggregate amount greater than \$50,000 in any two-year election period.

(o) For purposes of this section:

- (1) A candidate and the candidate's committee shall be considered a single entity for purposes of campaign contribution limits;
- (2) Expenditures made by any person in cooperation, consultation, or concert with, or at the suggestion of, a candidate or the candidate's committee, or their authorized agents, shall be a contribution to the candidate;
- (3) Contributions by a person to a noncandidate committee or party that are earmarked for a specific candidate shall be treated as contributions from the person to the candidate; and

(p) (p) [Except for subsection (j), this] This section shall not apply to ballot issue committees."

SECTION 4. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by amending Section 8 to read as follows:

SECTION 8. Section 11-205.5, Hawaii Revised Statutes, is amended to read as follows:

**"§11-205.5 Campaign contributions by [state] government contractors.** [(a) Any person making a contribution to any candidate, committee, or political party, and who has received, in any calendar year, \$50,000 or more through contracts from the State, or county shall register and report that fact to the commission within thirty days of the date of the contribution or within thirty days of the date of the

contract, whichever occurs later; provided that this section shall not apply to a person who has received \$50,000 or more through a grant, subsidy, or purchase of service agreement under chapter 42F or 103F.

(b) The commission shall prescribe forms and procedures for the reporting required in subsection (a), which, at a minimum, shall require the following information:

- (1) The name and address of the person making the contribution;
- (2) The name of the candidate, committee, or political party receiving the contribution;
- (3) The amount of money received from the State or county, the dates, and information identifying each contract and describing the service performed or goods provided; and
- (4) If an entity is making the contribution, the names and business addresses of the principals, including officers and directors.

(e) The commission shall maintain a list of such reports for public inspection both at the commission's office and through the state FYI electronic bulletin board.]

(a) It shall be unlawful for any government contractor to make a contribution to any candidate or candidate's committee for a period of time, commencing with any procurement activity conducted by a purchasing agency or notice of appropriation and ending with twenty-four months after the termination of procurement activity or completion of any government contract.

(b) It shall be unlawful for any business against which debarment or suspension proceedings are commenced pursuant to section 103D-702 to make a contribution to any candidate or candidate's committee at any time during the course of the proceedings, an administrative or judicial action brought under sections 103D-709 and 103D-710, and the period of debarment or suspension.

(c) It shall be unlawful for any person to knowingly solicit any contribution from any government contractor or business prohibited from making contributions under this section.

(d) This section does not prohibit the establishment or administration of, or the solicitation of contributions to any separate segregated fund pursuant to section 11-B.

(e) This section does not prohibit or make unlawful contributions from any individual who is not an executive or administrative personnel in a business that is a government contractor; provided that the contribution is from the individual's personal funds. For purposes of this section, "executive or administrative personnel" shall mean individuals employed by a government contractor who is paid on a salary, rather than hourly, basis and who has policymaking, managerial, professional, or supervisory responsibilities.

(f) As used in this section, the following definitions apply unless the context clearly requires otherwise:

"Appropriation" means any act by a legislative body of the state or counties to authorize the expenditure of funds for capital improvement projects, public works projects, or any specific project for which government contracts are awarded.

"Business" means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

"Completion of the contract" means that the parties to the government contract have either terminated the contract prior to completion of performance or fully performed the duties and obligations under the contract and no disputes relating to performance and payment remain under the contract. This term also means that all disputed claims have been adjudicated and are final.

"Construction" shall be as defined in section 103D-104.

"Contract" means all types of agreements, regardless of what they may be called, for the procurement or disposal of goods or services, for construction, or for the purchase or sale of real property.

"Goods" shall be as defined in section 103D-104.

"Government contract" means any procurement contract for goods, services or construction covered by the Hawaii public procurement code, chapter 103D, and a contract for the purchase or sale of real property.

"Government contractor" means any business that is seeking one or more government contracts or has one or more government contracts with a governmental body that exceed \$25,000 in the aggregate.

"Governmental body" means any department, commission, council, board, bureau, authority, committee, institution, legislative body, agency, government corporation, or other establishment or office of the executive, legislative, or judicial branch of the State, including the office of Hawaiian affairs, and the several counties of the State.

"Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring any goods, service, construction or real property. The term also includes all functions that pertain to the obtaining of any goods, service, or construction including description of requirements, selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration.

"Purchasing agency" means any governmental body, which is authorized by chapter 103D or by way of delegation, to enter into contracts for the procurement of goods, services, construction, or real property.

"Services" includes "professional services" and both terms shall be as defined in section 103D-104.

"Termination of procurement activity" means the cessation of any discussion or negotiations relating to a selection for any government contract in which the business is not selected for the contract, and no dispute remains on the selection of the government contractor."

SECTION 5. Senate Bill No. 459, Senate Draft 1, House Draft 1, is amended by deleting Section 19 of the bill, and renumbering all sections accordingly.

Representative Fox moved that Floor Amendment No. 13, be adopted, seconded by Representative Jernigan.

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

"For politicians, campaign reform is a very serious matter. It draws our undivided attention. We want to get it right because it's our job. At the same time, we want to get an edge. That's also our job. What I'd like to focus on tonight is getting it right.

"The Republican amendment fixes aspects of the bill that narrow reform, not broaden it. In other words, we want to have reform broadened, not narrowed. Our test isn't reform. On the question of reform, we are guided by Dr. Watada, the head of the Campaign Spending Commission. His concerns with reform that we are attempting to fix are the same as they were on Friday, and are the same as they were before.

"Mr. Speaker, I'd like to take you briefly through the bill. I have a later copy than the one that was distributed earlier which had no page two, no page three. So this one has a page three. Then my page references will be accordingly.

"On page two, we eliminate point number 8, defining ownership interest in a corporation as 25%.

"On page 3 we eliminate point 13 which repeals the section on limitations of fundraising activities.

"The next change is on page 13, we eliminate points B and C under the definition of contribution.

"The next change is on page 30, the language eliminated, starting on line 5 and going through line 16, is restored.

"Then on page 32, point number 4 is eliminated.

"On page 35, the attempt to allow anybody who owns less than 25% of a corporation the right to donate to the people that award contracts is eliminated by removing that language and by substituting the following language.

The section does not prohibit or make unlawful contributions from any individual who is not an executive or administrative person in a business that is a government contractor' provided that a contribution is from the individual's personal funds. For purposes of this section, executive or administrative personnel shall mean individuals employed by a government contractor who's paid a salary rather than an hourly basis and who has policymaking managerial, professional, or supervisory responsibilities.

"Those people are all defined as being unable to make contributions to a corporation that awards a contract to a politician who is in a position to award a contract.

"And finally, the final change is the removal of Section 19 of the bill and that is found on page 48. Section 19 takes out the provision that restricts the number of fundraisers to two a year. We are restoring that. We want to keep that fundraising restriction in.

"So in some basically what we're doing is making it clear that if you are in any way connected with a corporation in a position that you're paid a salary for, you cannot contribute to the politicians who are in a position to award a contract if you do more than \$25,000 worth of contracted business with the State. This is the key reform."

Representative Leong rose to yield her time, and the Chair "so ordered."

Representative Fox continued, stating:

"The additional reforms are that we define the people who are in a position to be counted as part of the corporation more tightly. We continue the current law which provides the subsidiaries of corporations, boards, that overlap, majority holders that own other businesses all are accounted as a single corporation, and thus reducing the opportunities for multiple giving that you have if you take away this reform.

"We also restore the fundraising limitation that's in the current law. And we also get away from the re-definition of 'contribution' that we discussed on Friday, something that bothers us greatly that we would take the word contribution and change it to allow all kinds of non-monetary goods and services to be counted as outside the definition of contribution.

"And all four of these changes we are attempting to provide more reform and to make this a true reform measure. Thank you, Mr. Speaker."

Representative Hamakawa: rose to speak in opposition to the proposed amendment, stating:

"I rise in opposition to the amendment. Mr. Speaker, since this amendment is substantially similar to the one that was offered on Friday, may I incorporate by reference those comments in opposition to this measure," and the Chair "so ordered." (By reference only.)

Representative Hamakawa continued, stating:

"Mr. Speaker, the most significant change proposed by the Minority Leader is the elimination of the 25% rule in two places of the bill. Mr. Speaker, this 25% rule is nothing new. It was something that was in the bill last year. It was vetoed by the Governor. It was also in the bill that we previously passed out as a House bill. This is nothing new. This is something that we've all seen before and we've all voted for positively.

"So what is this 25% rule. Any individual who owns 25% or more of a company is treated as a single person with a corporation or partnership for the purposes of the contribution limits by corporation or partnership. More importantly, any individual who owns more than 25% of a company, that is, a government contractor is treated as a single person with the contractor, and totally banned from making contributions at all.

"Let's look at how this works. Bob Engineer and Sue Architect each own 26% of ACME Engineering. ACME Engineering owns government contracts in excess of \$25,000 in value. Under our bill, Mr. Speaker, Bob Engineer is prohibited from contributing anything. Sue Architect is prohibited from contributing anything. ACME Engineering is prohibited from contributing anything. Total contribution, \$0.

"Under the Minority Leader's amendments, Bob Engineer can contribute up to an aggregate of \$25,000. Sue Architect can contribute up to an aggregate of \$25,000. Total contribution \$50,000.

"Under these two hypotheticals, which scenario is the most subject to corrosive influence on politics? This amendment undermines the intent of the restricting contributions from government contractors and corporations. This amendment as before us, permits the government contractor to circumvent the rules by passing on funds from the company to owners so that political contributions can be made under the guise of legality. This amendment proposes to add language to permit employees of government contractors to make contributions as individuals as if they were not administrators or executives of the company. But nowhere in the proposed amendment is there a ban on contributions from administrators or executives of government contractors.

"Mr. Speaker, if there was a loophole in the law before, this amendment blows a hole wide open. This is a bad amendment. I urge the members to vote it down. Thank you."

Representative Fox rose to respond, stating:

"Thank you. Maybe we can have a brief discussion. The amendment that we propose simply would disallow Sue, Bob or anybody in the corporation who gets a salary, or is more involved in the corporation than a salary, from contributing. The Chair of the Judiciary Committee is simply completely wrong. The wording of our amendment makes it absolutely clear that if you're a salary person or higher, you are unable to contribute. The only similarity between the 25% limitation that is in this current bill, and the 25% limitation that is in the previous bill, is the figure 25%.

"Previously if Bob and Sue owned 10% and 15% of the corporation, they will be knocked out because their percentage added up to 25%, and it was a collective 25% that was in the bill we passed last year, and was a collective 25% that was in the bill the Governor introduced this year. In other words, you go around and you add people together and when they add up to 25%, that disqualifies the corporation. You're finished from contributing. You're out because your contributions added up to 25%.

"Under the current bill before us, if Bob and Sue each own 25% and no more of the corporation, they are free to give. So 50% ownership of the corporation is capable of giving. You have to exceed 25%. Let's put it at 24%. Let's not get hung up on the figure of 25. Let's say they each own 24%, certainly if they own 10% and 15%, they're absolutely free to give and so is everybody else in that company that owns less than 25%. This is a gigantic difference. It's a hole you can drive a Mac truck through.

"Bob Watada knows his stuff. He sees that hole. He knows he's dealing with a different bill this year than last year. He is opposed to this bill. You can ask Bob Watada if you have any question about it. We're on this floor talking about it because we've been talking to Bob Watada and we know when he says there's a loophole, he means there's a loophole. Thank you, Mr. Speaker."

Representative Hamakawa rose to respond, stating:

"Mr. Speaker, that's a very good defense of his position, but that's not in the plain text of the bill. Thank you."

Representative B. Oshiro rose to speak in opposition to the proposed amendment, stating:

"I stand in strong opposition to this amendment. It's very interesting because we actually have been talking to Mr. Watada and we got some clarification as to his specific opposition on this. He does oppose to the 25% ownership because he thinks it's rather arbitrary and he thinks people can slide in and out. But you know, if that's really what they're concerned about, then their amendment doesn't address it. The Minority Floor Leader is completely wrong.

"If you look on page 35, line 17, going over to page 36, line 4, what they try to do is try to carve out when it is prohibited for these people that are executive and administrative personnel. But really, it doesn't do that. You really need to take a close look at it.

"The other day the Minority Leader talked about lawyers can do violence to the English language. If you want to talk about violence to the English language, take a look at this. There's two not's in this provision. And unfortunately it's not like math or science where two negatives equal a positive. When you write a law, when you write in English, if you want something prohibited, you need to specifically say this is prohibited. Because what this does is it says this is not prohibited, and not, that does not equal a positive.

"So let me go through this very clearly so people understand, because people seem confused, alright? So on pages 34 to 35, what we're talking about is when contractors cannot give. But a contractor is a corporation. It's not a person. Now the question is, at what point do we say a corporation stands in the shoes of the person, or the person stands in the shoes of the corporation. Okay, that's the real issue here, but that's ..."

Representative Fox rose and stated:

"Point of information. I believe that two negatives do equal a positive. It is math. And English and math are in accord in this regard."

Representative B. Oshiro continued stating:

"Let me explain, since you don't really understand this."

Representative Fox rose to a point of order.

Speaker Say: "State your point, Representative Fox. This is the third time your up."

Representative Fox: "This is getting to a pretty personal nature when you say, 'You do not understand ...'"

Representative B. Oshiro: "Let explain this so that everybody understands."

Speaker Say: "Members, wait. Representative Blake Oshiro, you have the proposed floor amendment before you, so why don't you look on page 35, and Representative Blake Oshiro will walk us through it, and then I'll Representative Morita for her 5 minute."

Representative B. Oshiro continued, stating:

"Again, so what we are talking about here is when do we prohibit contractors from giving. At what point do we tie the individual to the contractor or being the corporation. This doesn't address that, because subsection (a), (b), (c) and (d) only talk about contractors. It doesn't talk about individuals, so when we get subsection (e), and you say this section does not prohibit or make a novel contribution from any individual who is not an executive or administrative personnel, that doesn't prohibit the executive or administrative personnel. Because nowhere else in the entire bill, they are prohibit.

"So saying that these people are not prohibited, so long as they are not something, doesn't mean that those people are necessarily prohibited. When you want them prohibited, what you needed to say was, this section shall prohibit and make unlawful any individual who is an executive or administrative personnel. That is a very big difference. Because just saying not and not, when nowhere else you say it's prohibition, you need to say what is prohibited in the law. A law does not cover things that are not prohibited. It is merely an exception. And that's all it does. It carves out an exception to something that is never stating that it's prohibited.

"That is the clear distinction. When you say something is prohibited, then you can say something is not prohibited. But here it doesn't say that. So I hope that somebody understands that now, or some people understand that because it took me a while to go through it, but the additional points as to the fund raiser limitations, according to Mr. Watada, he said it is completely unenforceable. That is why he requested that we take it out. And as to the definition of contributions, again, we got that from the federal language. Thank you very much."

Representative Caldwell rose to speak in opposition to the proposed amendment, stating:

"Mr. Speaker, I rise in opposition also. Ask why? I ask why, Mr. Speaker does the Minority Leader persist in opposing true campaign reform. Not only ..."

Representative Thielen rose and stated:

"I think that just rather personal, and that's not what the Minority Leader is doing. The Minority Leader is working very hard for true campaign reform."

Representative B. Oshiro rose to a point of order, stating:

"Point of order. Neither of the two amendments offered by the Minority Leader have been campaign reform. Thank you."

Representative Thielen: "Mr. Speaker, I think the speaker from Manoa is being very personal. It's very clear that our Minority Leader stood up supporting true campaign reform. Not the reform that is in the underlying bill in the Order of the Day."

The Chair addressed Representative Thielen, stating

"I believe that measure is not before us. It is the floor amendment that is before us.

Speaker Say: "Representative Caldwell, please proceed and don't make any reference to the sponsor of this measure. And if you do, state it as the Representative from Waikiki."

Representative Caldwell continued, stating:

Thank you very much, Mr. Speaker. Mr. Speaker, not only is this a serious matter for politicians, but it's a serious matter for the voters of our State. In fact, they are what is all important here, Mr. Speaker. Mr. Speaker, the Representative's amendment, once again, once again, attempts to amend our campaign reform legislation, to allow corporations and owners of corporations to contribute to political candidates, Mr. Speaker.

"Owners of a corporations, who own over 25% of stock and their corporations are limited to a maximum contribution of \$6,000. Just \$6,000. With this amendment, owners of these corporations contribute up to \$25,000 individually to a political party, and then the corporations can give another \$6,000. That's a total of \$31,000, Mr. Speaker. \$6,000 versus \$31,000. I don't call this true campaign reform.

"Why do we want to make it easier for corporations and their owners to make political contributions and give more and more money? I guess if you are against true campaign reform you'd want to do this. I guess if you do want to flood the political system with more corporate contributions, you'd be in favor of this. I don't think the people of Hawaii want to do this, Mr. Speaker. They want true campaign reform. Not sham reform, Mr. Speaker. Not just the perception, but also the reality that true campaign reform is what we want, and that calls for limiting political contributions by corporations. Thank you very much, Mr. Speaker."

At this time, the Chair stated:

"Members, we have had a lot of discussion at this point. Anyone who wants to submit written arguments, for or against, will be permitted at this point."

At this time the Chair called for a roll call vote and by unanimous consent, the roll call was approved.

Roll call having been approved, the motion that Floor Amendment No. 13 amending, S.B. No. 459, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," be adopted, was put to vote by the Chair and failed to carry on the following show of Noes and Ayes:

Noes, 32: Representatives Abinsay, Caldwell, Chang, Evans, Hale, Hamakawa, Herkes, Ito, Kahikina, Kaho'ohalahala, Kanoho, Karamatsu, Kawakami, Lee, Luke, Magaoay, Mindo, Morita, Nakasone, Nishimoto, M. Oshiro, B. Oshiro, Saiki, Say, Shimabukuro, Sonson, Souki, Takai, Takamine, Takumi, Wakai and Waters.

Ayes, 14: Representatives Blundell, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Thielen.

Excused, 5: Representatives Arakaki, Bukoski, Hiraki, Schatz and Tamayo.

Main Motion:

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

"Thank you, Mr. Speaker, in opposition. Mr. Speaker, perhaps there is a way out of this forest. We have been talking with Mr. Watada and he said that the language that he's talked to us about, that we have put in the amendments, follows federal guidelines. And he is willing to sit down with the Majority and go over the law, line by line, to show how his wording is what's needed in this situation.

"If we are, 51 Members here in the House, essentially guided by the wisdom of the Chair of the Campaign Spending Commission, I think we can probably come up with an acceptable version of the bill. I assure you without the slightest doubt, that I am opposing this bill because of the concerns of Mr. Watada. I am bringing to the floor his concerns about a bill that allows any single individual who owns less than 25% of a corporation to give without restriction to the political figures who award that individual contracts. That is the main objection to this bill, and that is why we are fighting it today. Thank you."

Representative B. Oshiro rose to speak in support of the measure, stating:

"I stand in strong support. Just to clarify, Mr. Watada actually did get part of the definition from the amendment under Section 441B, Subsection 7. That's where the language came from. But unfortunately, that Section does not apply to what we are doing here. What we're doing here when it comes to the 25% ownership, is not addressed in federal law.

"I know I said that before, but let me say that again. It's not addressed in federal law. Title II, Chapter 14, Section 441C, does not address this. Neither does the Title IX, Part 115, Subsection 6, which I specifically read last time, and it specifically authorizes individuals of corporations, when they're contractors not to give. Because you cannot prohibit an individual's right to free speech unless there is a close nexus. That is clearly and narrowly defined so it passes First Amendment muster.

"Unfortunately, Mr. Watada is not aware of the constitutional protections under our State Constitution and federal Constitution, and unfortunately that's not Mr. Watada's job. That is our job to protect and ensure that we uphold the Constitution and everyone's First Amendment free speech



rights. And since the federal government has not gone this far yet, I feel very comfortable that our bill which attempts to go further than any federal law on the books right now, is going in the right direction and if we're going to continue to move this, I will continue to talk with Mr. Watada, as I have in the past, and I will continue to have open dialogue with him so that we can try to address his concerns.

"But nonetheless, I'm not his puppet. I'm not just going to be coming down here and doing what he wants because he is not a legislator. I got elected so I could uphold the Constitution. So I could use my knowledge and skills as an attorney and look at what the values are and how we want to pass bills. I will not just listen to Mr. Watada and pass out what he wants just because he is the Campaign Spending Executive Director. Thank you very much."

At 6:26 o'clock p.m., Representative Lee requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 6:27 o'clock p.m.

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

"I'm sorry, I can't talk about the merits as much as I can about the demerits, Mr. Speaker.

"I have three concerns and these are not all inclusive, but I have three concerns. Under this bill, someone now can contribute just under \$1,000, \$999, in food, stamps, rental cars, printing, airplane tickets, etc., and that's not considered a contribution, a campaign contribution. That's found on page 13 of the bill. I think that, that actually impacts on the campaign contribution ceiling because now you can also give an additional \$999.99 to a candidate and this can be in the use of real personal property, the cost of invitations which would be your stamps, your printing, your mailing, etc. I don't think that, that should be exempt from being called a contribution.

"As to the hole for corporations, the way I read the bill is that there may be a ceiling that the company can contribute up to \$4,000. The President can contribute up to \$4,000, and the campaign Political Action Committee can contribute up to \$4,000. That to me seems excessive.

"Then when you go to general contractors, and I will go back to the Bob and Sue example that was stated by the Chair of the Judiciary Committee. So Bob owns 26%, Sue owns 26%, Sue has four children and for estate planning purposes she transfers part of her 26% to her different children. Bob has a brother and sister that he wants to bring into the business and transfers a portion of his share to them too. So they can conceal from the public, just through family planning matters. They can conceal from the public what their actual ownership is in that corporation, and then this would exempt them from donating.

"I don't think that the bill is as tight as it should be. I believe that we have the best person to deal with this in Dr. Watada, the Executive Director of the Campaign Spending Commission. And maybe if emotions and tensions and all of that can just mellow out, people could sit down with Dr. Watada and work on a bill that would be true campaign reform, Mr. Speaker. Thank you."

At this time, Representative Luke called for the previous question.

The Chair then stated:

"We've had a lot of debate on this particular issue, and we had a lot of debate on Second Reading. As you may recall that there was also another floor amendment on this particular legislation."

Representative Marumoto rose in opposition to the measure, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Marumoto's written remarks are as follows:

"Under the Radar

"In opposition. Corporations and unions can no longer donate directly, under this measure, but through "separate segregated" committees (what a oxymoron!) or political action committees (PACs) as they are usually called. The bill creates some loopholes that must be closed down.

"If the aggregate amount of contributions do not exceed \$6000, these entities can donate directly without forming a PAC. It doesn't seem reasonable to require one of these entities to form a PAC if is donating only \$50, so I think the \$6000 should be lowed to \$1000. When this loophole is coupled with another proposed loophole, it can do much damage.

"Another loophole allows donations of up to \$1000 in items such as food, drinks or invitations without reporting it. In other words, a PAC can donate up to \$6000 cash plus another \$1000 worth of "help" to put on a fundraiser or campaign. Only items over \$1000 would have to be reported because items under that amount are not contributions. Multiple donations could top an aggregate of \$1000, but who's watching the non-donations?

"From the receiving side, candidates or their committees do not have to report these gifts of under \$1000 because, again, they are not contributions. This is flying under the radar.

"The present law has worked well. Everything over \$100 must be reported. We should not change it. If the conferees insist on greater latitude for gifts, then a pass-through list might be required. Everything that is donated and then given away should be reported. For instance, when candidates, PACs or political parties have events where door prizes are given out, all items and values should be reported but the totals do not have to be applied against contribution limits.

"Another problem I have with this bill – there are some limits that are "per election cycle" and others that are "per calendar year". Why make it any more confusing for all concerned? Simplify! As the law grows, it gets more convoluted and complicated.

"If all transactions are reported, then the public can decide if there could be a conflict or a quid pro quo. We are public officials and our business should be public, our votes, our campaigns, our expenditures, our donations. Let's go for greater transparency."

Representative Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of SB 459, SD 1, HD 1, a bill to reform the financing of campaigns.

"SB 459, SD 1, HD 1, is similar to HB 284, HD 1, which the House passed with 48 affirmative votes on March 6th. Clearly, the vast majority of us believe that something must be done in the realm of campaign finance reform.

"While this measure is not perfect, this is an area where there is no perfect solution. What we are all striving for, Democrats and Republicans, is a system that restores trust in the election process and rewards merit-based contracting, not contracting based on who gave the most money to the Governor or the Legislature.

"This bill bans government contractors from contributing to any candidate during the contracting process and for 24 months after the contract is completed. This is a good start. I personally would prefer to eliminate the exemption in the bill that allows shareholders who own less than 25% of a corporation to make contributions during the contracting process, but we should not let the perfect be the enemy of the good. Hopefully, the Conference Committee will revisit this issue.

"There are other areas where I believe this bill could be improved, but we need to move forward on campaign finance reform and if we are going to do that this session, this is the vehicle to support.

Mr. Speaker, mahalo for the time to address this important issue."

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

Representative Meyer's written remarks are as follows:

"Mr. Speaker, I cannot support SB 459, SD 1, HD 1. This bill is touted as "real campaign reform" but it is clear that it is anything but genuine reform. Many speakers before me have pointed out numerous deficiencies, so I will confine my remarks to one of the most egregious parts of the bill found on page 13, line 7. This is all new language describing what a contribution does not include and then goes on to enumerate such things as use of real or personal property, cost of invitations, food and beverages, obviously for fundraisers; if the value does not exceed \$1,000 it is not a personal contribution. Come on! In-kind contributions like these are legendary from unions and special interest groups. How can anyone in this Chamber maintain a straight face when describing these items as not constituting a contribution?

"This bill is an embarrassment, not reform. Thank you, Mr. Speaker."

Representative Hamakawa rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Hamakawa's written remarks are as follows:

"I rise in support of SB 459, HD 1.

"This is a very important bill for all of us who are involved in the political process. Most politicians are honest and comply with the campaign spending laws. But in recent years, politics in Hawaii have been tarnished by perceptions of impropriety, corruption and abuse of power. This bill strikes at the heart of these perceptions.

"This bill prohibits all contributions from government contractors. It prohibits contributions in excess of \$6,000 from corporations, labor unions except under very limited circumstances through political action committees. At the same time, a person who owns more than 25% of the business is treated as one with the business. Thus, the owner would be barred from making contributions if the business is a

government contractor. And if the business is not a government contractor, the owner is limited in the amount of contributions he/she can make, to the limits of the corporation, i.e. \$6,000.

"This bill makes over a dozen significant and substantive changes to the law, all of which are intended to bring reform to our campaign spending laws. Among the changes are:

- Increases the criminal penalty to a class C felony for any person who knowingly falsifies a campaign spending report with intent to deceive, or makes a contribution anonymously or under a false name.
- Reduces the contribution limits from \$6,000 to \$4,000 to be consistent with contribution limits for all elected offices of four-year terms.
- Prohibits an individual from contributing more than \$25,000 in a two-year period to any candidate, political action committee, or party.
- Limits contributions to a political party to a maximum of \$5,000 in a calendar year.
- Limits contributions to a political action committee to a maximum of \$2,000 in a two-year period.
- Bans contributions from foreign nationals and foreign corporations, consistent with federal law.
- Bans political solicitation on government property, except that a candidate may rent a school cafeteria if the school permits the cafeteria to be rented by any community group. Makes violation of this law a criminal misdemeanor.
- Limits the amounts that may be spent on unreported in-kind contributions such as food, beverages, and discounted goods.
- Limits the amounts that a candidate may donate to charitable organizations.
- Prohibits a candidate from using campaign contributions for the personal benefit of any person, including the candidate.
- Repeals the limits on two fundraiser events for City Council, State Legislator and other district or local offices because regulation of fundraising activity is no longer practical given the widespread use of the internet for campaign solicitation.

"It is a strong bill and I urge you to support this reform effort. Thank you."

Representative Ontai rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ontai's written remarks are as follows:

"Mr. Speaker, the problem with this version of campaign reform, is that it is not bipartisan. A partisan campaign reform bill can only be trouble. Just examine the votes and one finds that the vote on this bill is strictly along party lines. This surely suggests that it favors one party over the other. Thank you, Mr. Speaker."

Representative Moses rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Moses' written remarks are as follows:

"Mr. Speaker, I rise to speak in opposition to Senate Bill 459, Senate Draft 1, House Draft 1. As our Minority Leader stated previously, reform is our job, but it is difficult for us to do. Ideally, campaign spending reform should be non-partisan, that is, favoring neither side. On its surface, any bill we pass dealing with campaign spending reform should look fair and non-partisan.

"Mr. Speaker, we've heard a lot of discussion on the purported partisanship of the floor amendment offered by the Minority Leader. There is a saying about glass houses and casting stones, so let's take a look at the House Draft 1 version of the bill and see how "reform" is supposed to work.

"One part of this bill, on page 13, excludes from the definition of "contribution", the use of real property and the costs of invitations, food or beverages that are voluntarily provided by an individual up to \$1,000 per calendar year for candidates and \$2,000 for noncandidate committees or parties. What does this mean? Currently, the limitation on individual contributions to members of this House are \$2,000 during an election period. What we are saying is an individual can now give up to \$4,000 an election period to a House candidate, twice the amount than under current law. How? By providing \$1,000 worth of food, beverage, or invitations to a candidate for their fundraisers in each calendar year in addition to the \$2,000 check. Is doubling the limit on campaign contributions the proponent's idea of reform, because it is not my idea of reform.

"Let's stay on this example, Mr. Speaker. Subparagraph "c", right after the clause I just spoke of, also excludes the sale of food and beverages by a vendor for use by a candidate, their committee, a noncandidate committee or party so long as the sale price is at least equal to the cost to the vendor and the total amount does not exceed the same amounts as above. A remark was made about our previous amendment that lawyers can butcher the English language. Very true, for the operative word in this clause is the "and" at the end. So under this bill, same situation as above, except the vendor decides that they will sell some drinks at the fundraiser as well, at cost. So the vendor gives \$1,000 in food, and sells \$1,000 worth of soda and beer, at cost, at the fundraiser. And because of the "and", the vendor can do both. Mr. Speaker, the single vendor has now given \$2,000 worth of food and drink for the candidate's fundraiser, which does not qualify as a "contribution" under this bill, and is free to give \$2,000 for the election period. Mr. Speaker, if the vendor decides to give food and drink again, and sells \$1,000 worth of drink again, that vendor will essentially have given \$6,000 to a House candidate in an election period, three times what they can give under current law. Is tripling the limit on campaign contributions the proponent's idea of reform, because it is not my idea of reform.

"Another part of this bill, on page 30, proposes to delete the subsection dealing with the treatment of two corporations as one in certain circumstances. Now, some remarks were made as to how this was unnecessary because of the other "protections" in this bill, but let's look at what this does, and I want to focus on one part. Under this bill, a parent and a subsidiary corporation will now be treated as two separate entities, as opposed to one. What does this mean? This means that a corporation with multiple subsidiaries is now free to give from each subsidiary as well as the parent company. Of course, page 4 of this bill also mandates that corporations and labor unions cannot give from their treasuries and form PAC's to contribute, which is a good thing because it facilitates reporting and makes giving transparent. However, the loophole in that prohibition is if the contributions are less than \$6,000 in the aggregate in an election period. So what does this mean?

"Mr. Speaker, Bank X, with 19 branches that are subsidiaries of the bank each gives \$5,000 to a candidate in an election period. Under this bill, this is allowed because the subsidiaries are treated as separate entities. In addition, the bank need not form a PAC to give the money because none of the corporations has hit the \$6,000 threshold. Total amount given, \$105,000. Total amount that could have been given under current law, \$2,000. Difference, \$103,000. Mr. Speaker, is this the proponent's idea of reform, because it certainly is not my idea of reform.

"Mr. Speaker, there are many more "anti-reform" aspects to this bill. Let me touch upon just one more. There has already been much discussion about the "twenty-five" percent ownership loophole language on page 35 in the section dealing with government contractors. Our Campaign Spending Commissioner, Bob Watada, has consistently fought for language that would encompass the idea of prohibiting those that would directly benefit from government contracts from contributing. We tried to include some language in our amendment, which the Vice-Chair of Judiciary opposed. We already know that the twenty-five per cent language is faulty as well, because of its arbitrary nature and the fact that it does not fully encompass the concept that Mr. Watada is getting at. The point I want to draw attention to is related and another loophole in this section of the bill.

"Whether you agree with the proponents' or opponents' proposed language in this section of the bill, on page 34 of this bill, the prohibition against a government contractor making a contribution does not apply to noncandidate committees, political parties, and separate segregated funds. Mr. Speaker, what is the sense of proposing a prohibition when the loophole is so large? Maybe a contractor doesn't give to a candidate or their committee, but instead gives to a PAC or the party that supports the candidate, and throws in excluded contributions of food from each of their subsidiaries.

"Mr. Speaker, I've heard campaign spending described as a shell game, and all this bill does is increase the number of shells, making reporting and enforcement all the more difficult. Mr. Speaker, this is not campaign spending reform, and I stand in opposition to this bill as currently drafted."

The motion was put to vote by the Chair and carried, and S.B. No. 459, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of 32 ayes to 14 noes, with Representatives Blundell, Ching, Finnegan, Fox, Halford, Jemigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Thielen voting no, and with Representatives Bukoski, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

The Chair directed the Clerk to note that S.B. No. 459, SD 1, HD 1, passed Third Reading at 6:33 o'clock p.m.

#### LATE INTRODUCTION

Representative Luke introduced Mr. John Waihee, IV, from the Office of Hawaiian Affairs, Board of Trustees.

#### SUPPLEMENTAL CALENDAR #1

Representatives Schatz and Morita, for the Committee on Economic Development and Business Concerns and the Committee on Energy and Environmental Protection presented a report (Stand. Com. Rep. No. 1509), recommending that H.C.R. No. 55, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 55, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM BUSINESS ACTION CENTER TO COORDINATE AND FACILITATE THE PROJECT REVIEW AND PERMITTING PROCESS OF A PLASMA-ARC TORCH FACILITY IN THE STATE," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1510), recommending that H.R. No. 121, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 121, HD 1, entitled: "HOUSE RESOLUTION CONVENING AN ECONOMIC SUMMIT," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1511), recommending that H.C.R. No. 150, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 150, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION CONVENING AN ECONOMIC SUMMIT," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1512), recommending that H.R. No. 60, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 60, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE SMALL BUSINESS REGULATORY REVIEW BOARD TO CONDUCT A STUDY TO DEVELOP A BILL OF RIGHTS FOR SMALL BUSINESS," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1513), recommending that H.C.R. No. 57, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 57, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE SMALL BUSINESS REGULATORY REVIEW BOARD TO CONDUCT A STUDY TO DEVELOP A BILL OF RIGHTS FOR SMALL BUSINESS," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1514),

recommending that H.R. No. 119, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 119, entitled: "HOUSE RESOLUTION STRONGLY URGING THE DEPARTMENT OF HEALTH TO REQUIRE THE FULL IMMUNIZATION AGAINST THE HEPATITIS B VIRUS OF ALL PERSONS IN THE STATE WHO ATTEND ANY INSTITUTION OF HIGHER EDUCATION," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1515), recommending that H.C.R. No. 148, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 148, entitled: "HOUSE CONCURRENT RESOLUTION STRONGLY URGING THE DEPARTMENT OF HEALTH TO REQUIRE THE FULL IMMUNIZATION AGAINST THE HEPATITIS B VIRUS OF ALL PERSONS IN THE STATE WHO ATTEND ANY INSTITUTION OF HIGHER EDUCATION," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1516), recommending that H.R. No. 143, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 143, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH AND HAWAII'S U.S. PUBLIC HEALTH OFFICE TO FURTHER IMPLEMENT THEIR EPIDEMIC PREVENTION PROGRAM TO PREVENT THE POTENTIAL ENTRY OF COMMUNICABLE DISEASE VECTORS THAT MAY CAUSE AN EPIDEMIC IN HAWAII," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1517), recommending that H.C.R. No. 179, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 179, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH AND HAWAII'S U.S. PUBLIC HEALTH OFFICE TO FURTHER IMPLEMENT THEIR EPIDEMIC PREVENTION PROGRAM TO PREVENT THE POTENTIAL ENTRY OF COMMUNICABLE DISEASE VECTORS THAT MAY CAUSE AN EPIDEMIC IN HAWAII," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1518), recommending that H.R. No. 165, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 165, HD 1, entitled: "HOUSE RESOLUTION EXPRESSING SUPPORT FOR A WOMEN'S HEALTH PLATFORM THAT RECOGNIZES SERIOUS INEQUITIES IN THE HEALTH PREVENTION AND TREATMENT OF WOMEN, AND CALLS FOR THE ELIMINATION OF THESE INEQUITIES TO IMPROVE THE HEALTH STATUS OF WOMEN IN HAWAII," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1519), recommending that H.C.R. No. 213, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 213, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR A WOMEN'S HEALTH PLATFORM THAT RECOGNIZES SERIOUS INEQUITIES IN THE HEALTH PREVENTION AND TREATMENT OF WOMEN, AND CALLS FOR THE ELIMINATION OF THESE INEQUITIES TO IMPROVE THE HEALTH STATUS OF WOMEN IN HAWAII," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1520), recommending that H.C.R. No. 153, as amended in HD 1, be referred to the Committee on Finance.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 153, HD 1, be referred to the Committee on Finance, seconded by Representative Lee.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 153, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY OF MANDATORY HEALTH INSURANCE COVERAGE FOR MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE TREATMENT," was referred to the Committee on Finance with Representative Thielen voting no, and, with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki and Kahikina, for the Committee on Health and the Committee on Human Services and Housing presented a report (Stand. Com. Rep. No. 1521), recommending that H.R. No. 158, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 158, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH AND EXECUTIVE OFFICE ON AGING TO DEVELOP EDUCATIONAL MATERIALS AND PROGRAM STRATEGIES THAT ENCOURAGE FAMILY MEMBERS TO VISIT ADULT RESIDENTIAL CARE HOMES, LICENSED ASSISTED LIVING FACILITIES, AND NURSING CARE FACILITIES TO PROVIDE SUPPORT, AND ENCOURAGEMENT, AND TO MONITOR THE HEALTH STATUS OF DEPENDENT ADULT FAMILY

MEMBERS," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representatives Arakaki and Kahikina, for the Committee on Health and the Committee on Human Services and Housing presented a report (Stand. Com. Rep. No. 1522), recommending that H.C.R. No. 195, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 195, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH AND EXECUTIVE OFFICE ON AGING TO DEVELOP EDUCATIONAL MATERIALS AND PROGRAM STRATEGIES THAT ENCOURAGE FAMILY MEMBERS TO VISIT ADULT RESIDENTIAL CARE HOMES, LICENSED ASSISTED LIVING FACILITIES, AND NURSING CARE FACILITIES TO PROVIDE SUPPORT AND ENCOURAGEMENT, AND TO MONITOR THE HEALTH STATUS OF DEPENDENT ADULT FAMILY MEMBERS," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representatives Arakaki and Kahikina, for the Committee on Health and the Committee on Human Services and Housing presented two reports:

(Stand. Com. Rep. No. 1523), recommending that H.R. No. 170, as amended in HD 1, be referred to the Committee on Finance; and

(Stand. Com. Rep. No. 1524), recommending that H.C.R. No. 218, as amended in HD 1, be referred to the Committee on Finance.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 170, HD 1 and H.C.R. No. 218, HD 1, be referred to the Committee on Finance, seconded by Representative Lee.

Representative Ching rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Ching's written remarks are as follows:

"Mr. Speaker, I rise in favor of this measure.

"Mr. Speaker, just as our communities look to us when they have questions pertaining to laws or legislation, we look to leaders of the health care community to answer our questions about insurance costs, the latest medical technologies and other such concerns.

"As political leaders, we contrast the health care community by our ability to meet on a regular basis and discuss projects and policies that will have an effect on the people we serve. This capacity to meet and converse allows us to find the answers our people need, and to serve them in the most efficient manner possible.

"With great demand, we all seek definitive solutions from the health care community with regard to pressing issues. However, the deliberation between health care leaders is usually restricted to once-a-year "support" and "opposition" testimony.

"These resolutions provide our health care leaders with a forum for the exchange of ideas relating to the costs and direction of the health care industry in Hawaii. Moreover, such a forum offers open discussion on pressing issues that may not be on the legislative agenda.

"Hawaii's health care system is a living, breathing entity that must be able to quickly adapt to the changing economy and medical community. I feel that these resolutions provide a vehicle through which to make these changes on a regular and continual basis and in the end affords our communities the best health care opportunities possible.

"For these reasons, Mr. Speaker, I proudly support both resolutions, and I encourage my colleagues to vote favorable on both measures. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 170, HD 1, entitled: "HOUSE RESOLUTION SUPPORTING THE ESTABLISHMENT OF A HEALTH CARE ROUNDTABLE TO PROMOTE IMPROVEMENTS IN HAWAII'S HEALTH CARE SYSTEM," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused;

and

H.C.R. No. 218, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE ESTABLISHMENT OF A HEALTH CARE ROUNDTABLE TO PROMOTE IMPROVEMENTS IN HAWAII'S HEALTH CARE SYSTEM," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1525), recommending that H.R. No. 122, be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 122, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY ON THE PROVISIONS OF THE MEDICAL MARIJUANA LAW," was referred to the Committee on Judiciary with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representatives Kahikina and Arakaki, for the Committee on Human Services and Housing and the Committee on Health presented a report (Stand. Com. Rep. No. 1526), recommending that H.C.R. No. 212, as amended in HD 1, be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 212, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY ON THE PROVISIONS OF THE MEDICAL MARIJUANA LAW," was referred to the Committee on Higher Education with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1527), recommending that H.C.R. No. 103, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 103, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO DEVELOP PUBLIC HEALTH STRATEGIES TO ADDRESS THE HEPATITIS C PROBLEM," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1528), recommending that H.R. No. 172, as amended in HD 1, be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 172, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE JOHN A. BURNS SCHOOL OF MEDICINE TO HOST A SYMPOSIUM ON COMPLEMENTARY AND ALTERNATIVE MEDICINES," was referred to the Committee on Higher Education with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1529), recommending that H.C.R. No. 220, as amended in HD 1, be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 220, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE JOHN A. BURNS SCHOOL OF MEDICINE TO HOST A SYMPOSIUM ON COMPLEMENTARY AND ALTERNATIVE MEDICINES," was referred to the Committee on Higher Education with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1530), recommending that H.R. No. 71, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 71, entitled: "HOUSE RESOLUTION SUPPORTING THE TURNING POINT INITIATIVE PARTNERSHIPS WORKING TO IMPROVE PUBLIC HEALTH SYSTEMS AND REQUESTING THE GOVERNOR AND THE DEPARTMENT OF HEALTH TO EXPLORE HAWAII'S PARTICIPATION IN TURNING POINT," was referred to the Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1531), recommending that H.C.R. No. 73, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 73, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE TURNING POINT INITIATIVE PARTNERSHIPS WORKING TO IMPROVE PUBLIC HEALTH SYSTEMS AND REQUESTING THE GOVERNOR AND THE DEPARTMENT OF HEALTH TO EXPLORE HAWAII'S PARTICIPATION IN TURNING POINT," was referred to the

Committee on Finance with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

At this time, the Chair announced:

"Members, please turn to your yellow action sheets."

### SUSPENSION OF RULES

On motion by Representative Saiki, seconded by Representative Fox and carried, the rules were suspended to consider a bill on Final Reading on the basis of a modified consent calendar. (Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo were excused.)

### FINAL READING

The following bill was taken from the Clerk's desk and the following action taken:

Representative Saiki moved to agree to the amendments proposed by the Senate to H.B. No. 1307, HD 1 (SD 1), seconded by Representative Fox and carried. (Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo were excused.)

#### H.B. No. 1307, HD 1, SD 1:

Representative Saiki moved that H.B. No. 1307, HD 1, SD 1, pass Final Reading, seconded by Representative Fox.

Representative Takamine rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Takamine's written remarks are as follows:

"Mr. Speaker, I rise in support of this bill. I want to acknowledge the dedication, integrity and vigilance of Representatives Tommy Waters, Maile Shimabukuro, Michael Kahikina, Herrmina Morita, Sol Kaho'ohalahala, Bertha Kawakami, and Ezra Kanoho, for ensuring the State of Hawaii meets its financial and legal obligations to OHA and native Hawaiians. Despite current fiscal constraints, they fought for the entitlements owed to native Hawaiians today, but more importantly, to make sure that their needs are met for the future."

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

Mr. Speaker, in strong support. Mr. Speaker, this indicates again this Legislature's commitment to fulfill to the Hawaiian people and I'd like to thank you and all the Members for that support. Thank you very much."

At this time, the Chair stated:

"Before the Chair calls for the question, does everyone understand what the yellow action sheet is all about? The process that is involved? Representative Jernigan do you understand?"

"When the Chair recognized Representative Saiki, that was to suspend the rules to consider this particular measure out of order by consent calendar. After that, Representative Saiki

went on the motion to agree. And last but not least, the final motion was to have this pass Final Reading. Three steps. And this is what your yellow action sheet is all about. All the bills that have come back from the Senate with Senate drafts."

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

"I wish to speak in favor of this with a minor concern. One is that I believe that the dollars that were taken out of the Harbors I think is too much, both from the small boat harbors and the regular harbors. I would have preferred that these dollars come from the general fund and not from the harbor fund. I believe it can potentially hurt the small boat harbors and potentially hurt the large boat harbors. Thank you."

Representative Kaho'ohalahala rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in support. I just want to remind this Body that these are payments due to the Office of Hawaiian Affairs that have been agreed upon by the Administration, and therefore the amounts that are listed on this are not issues that we're debating about. But it's payments that are due to the Office of Hawaiian Affairs with all agreement. So, I'm asking for your support Members so that we can move this. And there will be a time in the future when we will come to the greater discussions about what those actual payments will be for the long-term. Thank you."

Representative Kahikina rose in support of the measure and asked that the remarks of Representatives Kanoho and Kaho'ohalahala be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and H.B. No. 1307, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Final Reading by a vote of 44 ayes, with Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo being excused.

The Chair directed the Clerk to note that H.B. No. 1307, HD 1, SD 1, passed Final Reading at 6:40 o'clock p.m.

### ANNOUNCEMENTS

Speaker Say: "I'd like to announce that the House Bills with Senate drafts will be received, processed and delivered to the Members' offices by 12:00 noon, tomorrow. There is a total of 127 bills that came back from the Senate. So you'll get the copies of the House Bills with the Senate drafts."

### ADJOURNMENT

At 6:41 o'clock p.m. on motion by Representative Lee, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Thursday, April 10, 2003. (Representatives Bukoski, Caldwell, Halford, Hiraki, M. Oshiro, Schatz and Tamayo were excused.)

## FORTY-NINTH DAY

Thursday, April 10, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 12:08 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Pastor Troy Walker of The Lord's House Church, after which the Roll was called showing all members present with the exception of Representatives Chang, Ching, Kahikina, Kaho'ohalahala, Takai, Takumi and Tamayo who were excused.

On motion by Representative Lee, seconded by Representative Meyer and carried, reading of the Journals was dispensed with and the Journals of the Twenty-Eighth, Twenty-Ninth, Thirtieth, Thirty-First, Thirty-Second, Thirty-Third, Thirty-Fourth, Thirty-Fifth, Thirty-Sixth and Thirty-Seventh Days were approved. (Representatives Chang, Kahikina, Kaho'ohalahala and Tamayo were excused.)

## GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 238 through 241) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 238, transmitting a report, "Small Business Regulatory Review Board," prepared by the Business Support Division of the Department of Business, Economic Development, and Tourism.

Gov. Msg. No. 239, transmitting three reports: "Annual Report on Transfer of Appropriated Funds and Positions"; "Annual Report on Special and Revolving Fund Expenditures in Excess of Each Fund's Appropriation Approved by the President of the University of Hawaii Commercial Enterprises Revolving Fund"; and "Annual Report of the Salaries Paid to All University of Hawaii Executive, Managerial, and Faculty Members Including the President".

Gov. Msg. No. 240, transmitting a report, "Act 306/2002 Progress Report – Implementation of A.R.T.S. FIRST: Hawaii's Arts Education Strategic Plan 2001-2006," prepared by the State Foundation on Culture and the Arts.

Gov. Msg. No. 241, informing the House that on April 7, 2003, the following bill was signed into law:

S.B. No. 554, A BILL FOR AN ACT RELATING TO BROWN TREE SNAKES (ACT 010)

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 506 through 636) were received and announced by the Clerk:

Sen. Com. No. 506, informing the House that the Senate has disagreed to the amendments proposed by the House to the following Senate Bills:

S.B. No. 42, S.D. 1, H.D. 1  
RELATING TO WATERCRAFT

S.B. No. 255, S.D. 2, H.D. 1  
RELATING TO AGRICULTURE

S.B. No. 402, S.D. 2, H.D. 2

RELATING TO MEDICAL EDUCATION

S.B. No. 474, S.D. 2, H.D. 1  
RELATING TO THE AUDITOR

S.B. No. 506, H.D. 2  
RELATING TO GEOTHERMAL ROYALTIES

S.B. No. 773, H.D. 2  
RELATING TO UNEMPLOYMENT INSURANCE

S.B. No. 880, H.D. 2  
RELATING TO THE LEGISLATURE

S.B. No. 933, S.D. 1, H.D. 1  
RELATING TO STALKING

S.B. No. 1107, S.D. 1, H.D. 1  
RELATING TO CHAPTER 711, HAWAII REVISED STATUTES

S.B. No. 1135, S.D. 1, H.D. 1  
RELATING TO COURT FEES

S.B. No. 1201, S.D. 2, H.D. 1  
RELATING TO MOTOR VEHICLE FRANCHISES

S.B. No. 1312, S.D. 1, H.D. 2  
RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

S.B. No. 1324, S.D. 1, H.D. 2  
RELATING TO CONCILIATION PANELS

S.B. No. 1405, H.D. 1  
RELATING TO COMMERCIAL DRIVER LICENSING

S.B. No. 1438, H.D. 1  
MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1439, H.D. 1  
MAKING APPROPRIATIONS FOR SALARY INCREASES FOR PUBLIC EMPLOYEES

S.B. No. 1440, H.D. 1  
RELATING TO COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1441, H.D. 1  
MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1442, H.D. 1  
MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1443, H.D. 1  
MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1444, H.D. 1  
MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS

S.B. No. 1445, H.D. 1  
RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS



Sen. Com. No. 507, transmitting S.C.R. No. 176, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE U.S. CONGRESS TO DISCONTINUE MILITARY BASE CLOSURES IN THE STATE OF HAWAII AND ESTABLISHING A BASE REALIGNMENT AND CLOSING COMMITTEE TO PRESERVE LOCAL BASES," which was adopted by the Senate on April 8, 2003.

Sen. Com. No. 508, transmitting H.B. No. 58, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 509, transmitting H.B. No. 83, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A LAND EXCHANGE BETWEEN THE STATE OF HAWAII AND THE ALOHA COUNCIL BOY SCOUTS OF AMERICA," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 510, transmitting H.B. No. 659, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE JOURNALS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 511, transmitting H.B. No. 1453, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL LEASEHOLDS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 512, transmitting H.B. No. 1572, H.D. 3, entitled: "A BILL FOR AN ACT RELATING TO PARKING FOR DISABLED PERSONS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 513, transmitting H.B. No. 10, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 514, transmitting H.B. No. 21, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CORPORATE DISCLOSURE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 515, transmitting H.B. No. 29, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEAL BREAKS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 516, transmitting H.B. No. 32, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 517, transmitting H.B. No. 50, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC EMPLOYEES HEALTH FUND," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 518, transmitting H.B. No. 73, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 519, transmitting H.B. No. 75, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 520, transmitting H.B. No. 96, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC

UTILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 521, transmitting H.B. No. 122, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRESUMPTIVE MEDICAID ELIGIBILITY FOR PREGNANT WOMEN," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 522, transmitting H.B. No. 123, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF PHARMACY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 523, transmitting H.B. No. 127, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL ASSISTANCE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 524, transmitting H.B. No. 129, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BRIDGE TO HOPE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 525, transmitting H.B. No. 130, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PENSION AND RETIREMENT SYSTEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 526, transmitting H.B. No. 135, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL MATCHMAKING ORGANIZATIONS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 527, transmitting H.B. No. 139, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 528, transmitting H.B. No. 140, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE RENTAL INDUSTRY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 529, transmitting H.B. No. 155, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PINEAPPLE RESEARCH," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 530, transmitting H.B. No. 176, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE WEED AND SEED PROGRAM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 531, transmitting H.B. No. 200, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 532, transmitting H.B. No. 248, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SMOKING IN PUBLIC SCHOOLS BY PUBLIC EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 533, transmitting H.B. No. 281, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE EDUCATIONAL FACILITIES REPAIR AND MAINTENANCE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 534, transmitting H.B. No. 282, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE AUDITOR," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 535, transmitting H.B. No. 287, H.D. 3, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 536, transmitting H.B. No. 289, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 537, transmitting H.B. No. 290, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 538, transmitting H.B. No. 292, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE SCHOOL PRIORITY FUND," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 539, transmitting H.B. No. 293, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE FARMERS' MARKET," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 540, transmitting H.B. No. 294, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY HEALTH INSURANCE FOR UNEMPLOYED PERSONS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 541, transmitting H.B. No. 295, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC LAND TRUST," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 542, transmitting H.B. No. 297, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRUGS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 543, transmitting H.B. No. 298, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 544, transmitting H.B. No. 314, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SCHOOL SECURITY GUARDS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 545, transmitting H.B. No. 317, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 546, transmitting H.B. No. 320, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RISK MANAGEMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 547, transmitting H.B. No. 377, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 548, transmitting H.B. No. 384, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR NOT-FOR-PROFIT CORPORATIONS THAT PROVIDE HEALTH CARE FACILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 549, transmitting H.B. No. 391, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 550, transmitting H.B. No. 418, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 551, transmitting H.B. No. 422, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A CENTER FOR NURSING," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 552, transmitting H.B. No. 426, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 553, transmitting H.B. No. 433, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 554, transmitting H.B. No. 473, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 555, transmitting H.B. No. 500, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 556, transmitting H.B. No. 507, H.D. 3, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL TECHNICIANS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 557, transmitting H.B. No. 510, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 558, transmitting H.B. No. 512, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 559, transmitting H.B. No. 531, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 560, transmitting H.B. No. 548, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANATOMICAL GIFTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 561, transmitting H.B. No. 595, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHECK CASHING," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 562, transmitting H.B. No. 620, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUNIOR RESERVE OFFICERS' TRAINING CORPS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 563, transmitting H.B. No. 638, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 564, transmitting H.B. No. 640, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE LOSS MITIGATION GRANT PROGRAM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 565, transmitting H.B. No. 662, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII SPORTS HALL OF FAME," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 566, transmitting H.B. No. 668, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 567, transmitting H.B. No. 704, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT CODE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 568, transmitting H.B. No. 714, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 569, transmitting H.B. No. 730, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCCUPATIONAL THERAPISTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 570, transmitting H.B. No. 735, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SEXUAL ASSAULT SERVICES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 571, transmitting H.B. No. 736, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 572, transmitting H.B. No. 807, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 291E," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 573, transmitting H.B. No. 808, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 574, transmitting H.B. No. 851, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION APPEALS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 575, transmitting H.B. No. 857, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 576, transmitting H.B. No. 968, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT BENEFITS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 577, transmitting H.B. No. 986, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DEATH BENEFITS OF SURVIVING CHILDREN OF PUBLIC EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 578, transmitting H.B. No. 993, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RECONSTRUCTED VEHICLES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 579, transmitting H.B. No. 1003, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRIME VICTIM COMPENSATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 580, transmitting H.B. No. 1010, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE USE OF INTOXICANTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 581, transmitting H.B. No. 1013, H.D. 3, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATIONS FOR THE DETERMINATION OF PERMANENT IMPAIRMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 582, transmitting H.B. No. 1021, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 583, transmitting H.B. No. 1041, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 584, transmitting H.B. No. 1042, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 585, transmitting H.B. No. 1043, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR SALARY INCREASES FOR PUBLIC EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 586, transmitting H.B. No. 1044, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 587, transmitting H.B. No. 1045, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 588, transmitting H.B. No. 1046, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 589, transmitting H.B. No. 1047, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 590, transmitting H.B. No. 1111, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 591, transmitting H.B. No. 1116, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COURTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 592, transmitting H.B. No. 1152, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 593, transmitting H.B. No. 1154, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 594, transmitting H.B. No. 1155, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 595, transmitting H.B. No. 1157, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 596, transmitting H.B. No. 1160, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EXAMINATION FOR LICENSURE AS A CERTIFIED PUBLIC ACCOUNTANT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 597, transmitting H.B. No. 1163, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL INSURANCE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 598, transmitting H.B. No. 1164, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 599, transmitting H.B. No. 1165, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 600, transmitting H.B. No. 1175, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 601, transmitting H.B. No. 1176, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 602, transmitting H.B. No. 1181, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII

HEALTH SYSTEMS CORPORATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 603, transmitting H.B. No. 1182, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 604, transmitting H.B. No. 1212, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 605, transmitting H.B. No. 1214, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LAND LIABILITY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 606, transmitting H.B. No. 1230, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 607, transmitting H.B. No. 1247, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE ESTABLISHMENT OF A CONTRAFLOW LANE ON FARRINGTON HIGHWAY ALONG THE WAIANAE COAST FROM MOHIHI STREET TO PILIOKAHI AVENUE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 608, transmitting H.B. No. 1253, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 609, transmitting H.B. No. 1255, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE OFFICE OF ELECTIONS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 610, transmitting H.B. No. 1285, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC SITES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 611, transmitting H.B. No. 1294, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 612, transmitting H.B. No. 1300, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 613, transmitting H.B. No. 1303, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 614, transmitting H.B. No. 1328, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSUMER ADVOCATE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 615, transmitting H.B. No. 1342, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR YOUTH SERVICES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 616, transmitting H.B. No. 1361, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MEDICAID PRESCRIPTION DRUG EXPANSION PROGRAM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 617, transmitting H.B. No. 1362, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR ST. PATRICK SCHOOL," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 618, transmitting H.B. No. 1363, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GRANT-IN-AID TO THE CITY AND COUNTY OF HONOLULU TO CLEAN SALT LAKE WATERWAY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 619, transmitting H.B. No. 1400, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOTEL CONSTRUCTION AND REMODELING TAX CREDIT," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 620, transmitting H.B. No. 1405, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BIOFUEL," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 621, transmitting H.B. No. 1412, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL COUNSELORS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 622, transmitting H.B. No. 1430, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY ORAL HEALTH," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 623, transmitting H.B. No. 1456, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 624, transmitting H.B. No. 1465, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 625, transmitting H.B. No. 1506, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR ISPED CLERK TYPISTS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 626, transmitting H.B. No. 1509, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 627, transmitting H.B. No. 1532, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CELEBRATION OF MARTIN LUTHER KING, JR. DAY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 628, transmitting H.B. No. 1554, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COUNTY TAXES," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 629, transmitting H.B. No. 1579, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ECONOMIC DIVERSIFICATION AUTHORITY," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 630, transmitting H.B. No. 1594, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NONPROFIT CORPORATIONS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 631, transmitting H.B. No. 1613, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NORTH KOHALA," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 632, transmitting H.B. No. 1616, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 633, transmitting H.B. No. 1628, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL LOANS," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 634, transmitting H.B. No. 1652, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE MEDICAID PRESCRIPTION DRUG REBATE SPECIAL FUND," which passed Third Reading in the Senate on April 8, 2003.

Sen. Com. No. 635, transmitting H.B. No. 133, H.D. 1, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 636, transmitting H.B. No. 1225, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ADMINISTRATION OF TAXES," which passed Third Reading in the Senate on April 10, 2003.

On motion by Representative Saiki, seconded by Representative Lee and carried, the House disagreed to the amendments made by the Senate to the following House Bills returned to the House by 9:00 o'clock p.m. this legislative day, and requested a conference on the subject matter of said amendments: (Representatives Chang, Kahikina, Kaho'ohalahala and Tamayo were excused.)

H.B. No. 10	H.D. 2	S.D. 1
H.B. No. 21	H.D. 1	S.D. 2
H.B. No. 29	H.D. 1	S.D. 1
H.B. No. 32	H.D. 2	S.D. 2
H.B. No. 50	H.D. 2	S.D. 1
H.B. No. 73	S.D. 1	
H.B. No. 75	H.D. 2	S.D. 1
H.B. No. 96	H.D. 1	S.D. 1
H.B. No. 122	S.D. 2	
H.B. No. 123	H.D. 1	S.D. 1
H.B. No. 127	H.D. 1	S.D. 1
H.B. No. 129	H.D. 1	S.D. 1
H.B. No. 130	H.D. 1	S.D. 2
H.B. No. 133	H.D. 1	S.D. 3
H.B. No. 135	H.D. 1	S.D. 1
H.B. No. 139	H.D. 1	S.D. 1
H.B. No. 140	H.D. 1	S.D. 1
H.B. No. 155	H.D. 2	S.D. 2
H.B. No. 176	H.D. 1	S.D. 2
H.B. No. 200	H.D. 1	S.D. 1
H.B. No. 248	H.D. 1	S.D. 1
H.B. No. 281	H.D. 1	S.D. 2

H.B. No. 282	H.D. 2	S.D. 1
H.B. No. 287	H.D. 3	S.D. 2
H.B. No. 289	H.D. 2	S.D. 2
H.B. No. 290	H.D. 2	S.D. 1
H.B. No. 292	H.D. 2	S.D. 2
H.B. No. 293	H.D. 1	S.D. 2
H.B. No. 294	S.D. 1	
H.B. No. 295	H.D. 1	S.D. 2
H.B. No. 297	H.D. 2	S.D. 2
H.B. No. 298	H.D. 2	S.D. 2
H.B. No. 314	H.D. 1	S.D. 2
H.B. No. 317	H.D. 2	S.D. 2
H.B. No. 320	H.D. 2	S.D. 1
H.B. No. 377	H.D. 1	S.D. 1
H.B. No. 384	H.D. 1	S.D. 1
H.B. No. 391	H.D. 2	S.D. 2
H.B. No. 418	H.D. 1	S.D. 2
H.B. No. 422	H.D. 2	S.D. 2
H.B. No. 426	H.D. 1	S.D. 2
H.B. No. 433	S.D. 1	
H.B. No. 473	H.D. 2	S.D. 2
H.B. No. 500	H.D. 1	S.D. 1
H.B. No. 507	H.D. 3	S.D. 1
H.B. No. 510	H.D. 2	S.D. 2
H.B. No. 512	H.D. 1	S.D. 2
H.B. No. 531	S.D. 1	
H.B. No. 548	H.D. 2	S.D. 1
H.B. No. 595	H.D. 1	S.D. 1
H.B. No. 620	H.D. 1	S.D. 1
H.B. No. 638	H.D. 1	S.D. 2
H.B. No. 640	H.D. 1	S.D. 2
H.B. No. 662	H.D. 2	S.D. 2
H.B. No. 668	S.D. 2	
H.B. No. 704	H.D. 1	S.D. 2
H.B. No. 714	H.D. 1	S.D. 2
H.B. No. 730	S.D. 1	
H.B. No. 735	H.D. 1	S.D. 2
H.B. No. 736	H.D. 1	S.D. 2
H.B. No. 807	H.D. 2	S.D. 2
H.B. No. 808	H.D. 1	S.D. 2
H.B. No. 851	H.D. 1	S.D. 1
H.B. No. 857	S.D. 2	
H.B. No. 968	H.D. 1	S.D. 1
H.B. No. 986	H.D. 2	S.D. 2
H.B. No. 993	S.D. 1	
H.B. No. 1003	H.D. 1	S.D. 2
H.B. No. 1010	H.D. 1	S.D. 2
H.B. No. 1013	H.D. 3	S.D. 2
H.B. No. 1021	H.D. 1	S.D. 2
H.B. No. 1041	S.D. 1	
H.B. No. 1042	S.D. 1	
H.B. No. 1043	S.D. 1	
H.B. No. 1044	S.D. 1	
H.B. No. 1045	S.D. 1	
H.B. No. 1046	S.D. 1	
H.B. No. 1047	S.D. 1	
H.B. No. 1111	H.D. 2	S.D. 2
H.B. No. 1116	H.D. 1	S.D. 2
H.B. No. 1152	H.D. 1	S.D. 1
H.B. No. 1154	H.D. 1	S.D. 2
H.B. No. 1155	H.D. 1	S.D. 1
H.B. No. 1157	S.D. 2	
H.B. No. 1160	H.D. 1	S.D. 1
H.B. No. 1163	S.D. 1	
H.B. No. 1164	H.D. 1	S.D. 1
H.B. No. 1165	H.D. 2	S.D. 1
H.B. No. 1175	H.D. 2	S.D. 1
H.B. No. 1176	H.D. 1	S.D. 1
H.B. No. 1181	H.D. 1	S.D. 2
H.B. No. 1182	H.D. 2	S.D. 2
H.B. No. 1212	H.D. 1	S.D. 1
H.B. No. 1214	H.D. 2	S.D. 2

H.B. No. 1225	S.D. 2	
H.B. No. 1230	H.D. 1	S.D. 2
H.B. No. 1247	S.D. 1	
H.B. No. 1253	H.D. 1	S.D. 1
H.B. No. 1255	S.D. 2	
H.B. No. 1285	H.D. 1	S.D. 1
H.B. No. 1294	S.D. 1	
H.B. No. 1300	H.D. 2	S.D. 2
H.B. No. 1303	S.D. 1	
H.B. No. 1328	H.D. 1	S.D. 1
H.B. No. 1342	H.D. 1	S.D. 1
H.B. No. 1361	H.D. 2	S.D. 1
H.B. No. 1362	S.D. 1	
H.B. No. 1363	H.D. 1	S.D. 2
H.B. No. 1400	H.D. 1	S.D. 2
H.B. No. 1405	H.D. 1	S.D. 2
H.B. No. 1412	H.D. 2	S.D. 2
H.B. No. 1430	H.D. 2	S.D. 2
H.B. No. 1456	H.D. 1	S.D. 1
H.B. No. 1465	H.D. 2	S.D. 2
H.B. No. 1506	H.D. 1	S.D. 1
H.B. No. 1509	H.D. 2	S.D. 2
H.B. No. 1532	H.D. 2	S.D. 2
H.B. No. 1554	H.D. 1	S.D. 2
H.B. No. 1579	H.D. 1	S.D. 2
H.B. No. 1594	H.D. 1	S.D. 1
H.B. No. 1613	H.D. 2	S.D. 1
H.B. No. 1616	H.D. 1	S.D. 2
H.B. No. 1628	H.D. 1	S.D. 2
H.B. No. 1652	S.D. 1	

By unanimous consent, the aforementioned bills, as amended by the Senate, were placed on the Clerk's desk.

#### INTRODUCTIONS

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

Representative Finnegan introduced, on behalf of herself and Representative Wakai, students from Aliamanu Elementary School, accompanied by their teachers, Ms. Sharon Koyonagi, Ms. Lorraine Sato, Ms. Garda McMeen, Ms. Suzanne Johnson, Mr. Danny Fukumoto; and parents and chaperones, Mrs. Polk, Mr. Aaron Curry, Ms. Leslie Kohashi, Mrs. Seymour, Mrs. Susan Miller, and Mrs. Villa.

Representative Shimabukuro introduced, on behalf of herself and Representative Kahikina, former Representative Emily Auwae.

Representative M. Oshiro introduced friends from Wahiawa, Ms. M'sheila Salvador, secretary of the Lord's House Ministry, and Mrs. Terri Walker, wife of Pastor Troy Walker who gave today's invocation.

#### ORDER OF THE DAY

#### COMMITTEE ASSIGNMENT

The following Senate Concurrent Resolution was referred to committee by the Speaker:

#### S.C.R.

#### Nos.      Referred to:

176,	Committee on Public Safety and Military Affairs,
SD 1	then to the Committee on Finance

#### COMMITTEE REASSIGNMENTS

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

<u>H.B.</u> <u>Nos.</u>	<u>Re-referred to:</u>
548, HD 2, SD 1	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Judiciary, then to the Committee on Finance
1182, HD 2, SD 2	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Judiciary, then to the Committee on Finance
1456, HD 1, SD 1	Committee on Energy and Environmental Protection, then to the Committee on Finance

The following concurrent resolutions were re-referred to committee by the Speaker:

<u>H.C.R.</u> <u>Nos.</u>	<u>Re-referred to:</u>
9, HD 1	Jointly to the Committee on Health and the Committee on Human Services and Housing, then to the Committee on Finance
212, HD 1	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance

#### STANDING COMMITTEE REPORTS

Representative Ito, for the Committee on Public Safety and Military Affairs presented a report (Stand. Com. Rep. No. 1532) recommending that H.R. No. 57, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 57, entitled: "HOUSE RESOLUTION URGING THE STATE AND COUNTIES TO SUPPORT THE DEVELOPMENT AND ESTABLISHMENT OF AN OFFICIALLY RECOGNIZED URBAN SEARCH AND RESCUE TEAM IN HAWAII," was adopted with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Ito, for the Committee on Public Safety and Military Affairs presented a report (Stand. Com. Rep. No. 1533) recommending that H.C.R. No. 54, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 54, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE STATE AND COUNTIES TO SUPPORT THE DEVELOPMENT AND ESTABLISHMENT OF AN OFFICIALLY RECOGNIZED URBAN SEARCH AND RESCUE TEAM IN HAWAII," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Ito, for the Committee on Public Safety and Military Affairs presented two reports:

(Stand. Com. Rep. No. 1534) recommending that H.R. No. 74, be adopted; and

(Stand. Com. Rep. No. 1535) recommending that H.C.R. No. 76, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 74 and H.C.R. No. 76, be adopted, seconded by Representative Lee.

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

"First of all, I want to thank the various legislators who have introduced, sponsored and co-sponsored this important resolution and concurrent resolution. I want to thank the Chairman of the Public Safety and Military Affairs for his vision and his foresight to see the importance of passing these important measures. Mr. Speaker, as a Filipino, I am very proud to stand in support of these measures. Basically, just as an American and a resident of Hawaii, I am proud to see us continue, act in this area

"For background for those who may in the future read this Journal or for those who may be listening to this debate, during the war, basically Filipinos in the Philippines were given certain commitments and certain promises were made to them by the American government for their efforts in seeing that the Japanese occupation in the Philippines end. Those commitments were made. They fought bravely, bled and died and unfortunately after the war, the United States Congress made a bad mistake of rescinding many of those commitments.

"Now again, we as State legislators cannot change that. It takes an act of Congress to change that, and I will continue to strongly support equity legislation at the federal level. But what we can do is act in small ways here. And that's what this measure does. In a small way it tries to assist those Filipino veterans who fought so bravely. And this gives a little bit of assistance in that regard.

"I am strongly in favor of helping and in supporting this legislation, but do continue to urge Congress to do the right thing back at the Federal level to make sure that our Filipino veterans are given the right action that is due to them. Thank you, Mr. Speaker."

Representative Abinsay rose in support of the measures and asked that the remarks of Representative Pendleton be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Mindo rose to speak in support of the measures, stating:

"Thank you, Mr. Speaker. These measures are long overdue and I would like to register a strong support for these measures."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 74, entitled: "HOUSE RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF H.R. 664, RELATING TO IMPROVING BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused;

and

H.C.R. No. 76, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF H.R. 664, RELATING TO IMPROVING BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," was adopted, with

Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented two reports:

(Stand. Com. Rep. No. 1536) recommending that H.R. No. 66, be adopted; and

(Stand. Com. Rep. No. 1537) recommending that H.C.R. No. 65, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 66 and H.C.R. No. 65 be adopted, seconded by Representative Lee.

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

"I rise in opposition to these two measures. These two resolutions come from the State of Hawaii, which is farther from the United Kingdom than any other state, and farther from Canada than any other state, and talk about what a British corporation should do in Canada. I think without the word 'aloha' in the title, we should vote this down. Thank you."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 66, entitled: "HOUSE RESOLUTION STRONGLY URGING THE GLAXOSMITHKLINE CORPORATION TO

IMMEDIATELY RESUME PRESCRIPTION DRUG DELIVERIES TO CANADIAN-BASED MAIL-ORDER PHARMACIES," was adopted, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Takai voting no, and with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused;

and

H.C.R. No. 65, entitled: "HOUSE CONCURRENT RESOLUTION STRONGLY URGING THE GLAXOSMITHKLINE CORPORATION TO IMMEDIATELY RESUME PRESCRIPTION DRUG DELIVERIES TO CANADIAN-BASED MAIL-ORDER PHARMACIES," was adopted, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Halford, Jernigan, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Stonebraker and Takai voting no, and with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1538) recommending that H.R. No. 81, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 81, HD 1, entitled: "HOUSE RESOLUTION URGING HAWAII HEALTH SYSTEMS CORPORATION AND ST. FRANCIS HEALTHCARE SYSTEM TO CONTINUE THEIR PARTNERSHIP IN SERVING THE NEEDS OF DIALYSIS PATIENTS IN HAWAII," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1539) recommending that H.C.R. No. 82, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 82, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING HAWAII HEALTH SYSTEMS CORPORATION AND ST. FRANCIS HEALTHCARE SYSTEM TO CONTINUE THEIR PARTNERSHIP IN SERVING THE NEEDS OF DIALYSIS PATIENTS IN HAWAII," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

At 12:21 o'clock p.m., Representative Moses requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:22 o'clock p.m.

Representative Chang, for the Committee on Tourism and Culture presented two reports:

(Stand. Com. Rep. No. 1540) recommending that H.R. No. 171, as amended in HD 1, be adopted; and

(Stand. Com. Rep. No. 1541) recommending that H.C.R. No. 219, as amended in HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 171, HD 1 and H.C.R. No. 219, HD 1, be adopted, seconded by Representative Lee.

Representative Ching rose to speak in support of the measures, stating:



"Thank you very much. I want to stand in strong support of these two resolutions, which support the Sanju Pagoda in Nuuanu Valley. This pagoda has been a part of our landscape for over 40 years. It is a big part of the culture of our Nuuanu Valley. The residents and the community value it and I hope that my colleagues will support me in preserving this beautiful pagoda."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 171, HD 1, entitled: "HOUSE RESOLUTION SUPPORTING THE RESTORATION AND MAINTENANCE OF THE SANJU PAGODA IN NUUANU VALLEY," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused;

and

H.C.R. No. 219, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE RESTORATION AND MAINTENANCE OF THE SANJU PAGODA IN NUUANU VALLEY," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Ito, for the Committee on Public Safety and Military Affairs presented two reports:

(Stand. Com. Rep. No. 1542) recommending that H.R. No. 75, be adopted.

(Stand. Com. Rep. No. 1543) recommending that H.C.R. No. 77, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 75 and H.C.R. No. 77, be adopted, seconded by Representative Lee.

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

Representative Abinsay's written remarks are as follows:

"Mr. Speaker, I rise to speak in favor of Standing Committee Report No. 1542, House Resolution No. 75, and Standing Committee Report No. 1543, House Concurrent Resolution No. 76.

"Mr. Speaker, the purpose of these resolutions is to urge the U.S. Congress to support Senate Bill No. 68 – Relating to Improving Benefits for Filipino Veterans of World War II.

"Mr. Speaker and Colleagues, Senator Daniel Inouye and 9 other senators introduced S. 68 in the U.S. Senate. It has been referred to the Senate Committee on Veterans Affairs. This bill is also known as the "Filipino Veterans Benefits Improvements Act of 2003."

"Senate Bill No. 68, if it should become law, would provide, among other things:

- (1) Hospital and nursing home care and medical services to Commonwealth army veterans and Philippine scouts residing in the United States; and
- (2) Care and services to Filipino veterans of World War II, Commonwealth army veterans, and Philippine scouts residing in the Philippines on an outpatient basis at the Manila Veterans Administrations (VA) outpatient clinic.

"In his remarks on the floor of the US House of Representatives on February 11, 2003, Congressman Bob Finer

of California said, and I quote, "It is time to keep our promise to Filipino veterans of World War II."

"He went on to say - "We owe not only a debt of gratitude to these brave veterans, but we owe them recognition as veterans of the United States military. And we owe them the benefits they were promised! Now in their 70s and 80s, they are in desperate need of health care, and approximately five veterans are dying each day."

"As you may know, Congressman Finer also introduced a similar measure in the U.S. Congress, H.R. 664.

"Mr. Speaker and Colleagues, these resolutions passed by the Hawaii Legislature are very important measures in urging all members of the U.S. Congress and the U.S. Senate to support passage of Senate Bill No. 68. I think that similar efforts are also in the legislative agenda of other states across the nation.

"Both bills now pending in the U.S. Senate and Congress are critical. These are joint efforts and so perhaps we will finally see positive results this year. To add more years of waiting would be too late for most of these veterans. Thank you for your support."

Representative Pendleton rose in support of the measure and asked that the written remarks of Representative Abinsay be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"In strong support, and for the information of the House, I am an appointed member of the President's Advisory Commission on Asian Americans and Pacific Islanders. And this Commission has passed the resolution in strong support of the Filipino veterans receiving their benefits. It's well deserved. They expected it and when their benefits were rescinded after World War II, it was a very bitter disappointment.

"But when the Commission came to Hawaii last year, they met with several leaders of the Filipino veterans groups and heard their pleas for help. Before that, the President had expressed his support. The Veterans Affairs Secretary Principi testified in favor of the bill that would give them help. It was co-sponsored by Representative Patsy Mink. They are many people who are hoping that before long these veterans will get their due."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 75, entitled: "HOUSE RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF S. 68, RELATING TO IMPROVING BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused;

and

H.C.R. No. 77, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF S. 68, RELATING TO IMPROVING BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," was adopted, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep.

No. 1544), recommending that H.C.R. No. 88, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 88, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A COMPARATIVE STUDY ON HEALTH INSURANCE MARKET CONDITIONS," was referred to the Committee on Finance, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo were excused.

Representative Arakaki, for the Committee on Health presented a report (Stand. Com. Rep. No. 1545), recommending that S.C.R. No. 16, SD 1, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.C.R. No. 16, SD 1, HD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO DEVELOP PUBLIC HEALTH STRATEGIES TO ADDRESS THE HEPATITIS C PROBLEM," was referred to the Committee on Finance, with Representatives Chang, Kaho'ohalahala, Souki and Tamayo were excused.

#### ANNOUNCEMENTS

Representative Ito: "I would like to announce that today, as part of Alcohol Awareness Month, Senator Aduja and I are hosting the Alcohol Screening Day at the Capitol. Alcohol Screening Day is designed to raise public awareness about the consequence of drinking and its effect on general health. Please visit the Drug and Alcohol informational booths in the Capitol Auditorium.

"In addition, there will be an Alcohol Screening booth in room 309. Come and see what they are doing as far as screening people for Alcohol problems. The participating organizations are Hina Mauka, Salvation Army's Addiction Treatment Services, Coalition for a Drug Free Hawaii, Ho'omaueola, The Bobby Benson Center, YMCA, Alcoholics Anonymous, and Drug Addition Services of Hawaii."

Representative Shimabukuro: "Thank you. I would like to announce that the last day for the food drive is Monday. Please bring your canned food and other donations to room 315, or you can call my office for pick up.

"Also, on Monday, there will be a bake sale to benefit the food drive and that will be in room 423 from 11 am to 1 p.m. And next week Tuesday, we are having both bento day and a poster contest. Thank you to those who participated. Those interested in participating can submit entries to the Minority Research Office by noon on Tuesday.

"Finally, up until next week Thursday the 17th, we are still selling t-shirts, entertainment books and collecting monetary donations for the food drive."

Representative Lee moved to keep the Journal open until 9:00 o'clock p.m. this legislative day for the purpose of receiving Senate Communications and House Bills with Senate amendments transmitted thereby, and to disagree to the amendments made by the Senate, seconded by Representative Meyer.

At this time, the Chair stated:

"Does everyone understand what we are doing? Representative Ching, do you understand. Okay."

The motion was put to vote by the Chair and carried with Representatives Chang, Kaho'ohalahala, Souki and Tamayo being excused.

#### RECESS

At 12:27 o'clock p.m., on motion by Representative Lee, seconded by Representative Meyer and carried, the House of Representatives stood in recess until 12:00 noon, tomorrow, Friday, April 11, 2003. (Representatives Chang, Kaho'ohalahala, Souki and Tamayo were excused.)

#### ADJOURNMENT

At 9:00 o'clock p.m., the House of Representatives adjourned until 12:00 noon, tomorrow, Friday, April 11, 2003.

## FIFTIETH DAY

Friday, April 11, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 12:05 o'clock p.m., with the Vice Speaker presiding.

The invocation was delivered by Pastor Dan Smith of La Sierra University Church in Southern California, after which the Roll was called showing all members present with the exception of Representatives Caldwell, Halford, Herkes, Hiraki, Jernigan and Ontai who were excused.

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

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 637 through 668) were received and announced by the Clerk:

Sen. Com. No. 637, informing the House that the Senate has disagreed to the amendments proposed by the House to the following Senate Bills:

S.B. No. 16, SD 2, HD 2  
"RELATING TO EDUCATION

S.B. No. 17, SD 1, HD 1  
"RELATING TO EDUCATION

S.B. No. 58, SD 1, HD 2  
"RELATING TO SCHOOL REPAIR AND MAINTENANCE

S.B. No. 78, SD 2, HD 1  
"RELATING TO ELDER ABUSE

S.B. No. 88, SD 1, HD 1  
"RELATING TO MOTOR VEHICLES OWNED BY MILITARY PERSONNEL

S.B. No. 209, SD 3, HD 1  
"RELATING TO PUBLIC EMPLOYMENT

S.B. No. 248, SD 3, HD 1  
"RELATING TO THE CONVENTION CENTER

S.B. No. 254, SD 2, HD 1  
"RELATING TO AGRICULTURE

S.B. No. 299, SD 1, HD 1  
"RELATING TO STANDARDS OF CONDUCT

S.B. No. 317, SD 2, HD 1  
"MAKING AN APPROPRIATION FOR THE FIFTIETH ANNIVERSARY COMMEMORATION OF THE KOREAN WAR COMMISSION

S.B. No. 325, HD 1  
"RELATING TO SPECIAL PURPOSE REVENUE BONDS

S.B. No. 354, SD 2, HD 2  
"RELATING TO ENERGY

S.B. No. 359, SD 2, HD 2  
"RELATING TO FILM INDUSTRY

S.B. No. 373, SD 1, HD 2  
"RELATING TO CONDOMINIUM PROPERTY REGIMES

S.B. No. 377, SD 1, HD 2  
"RELATING TO TAXATION

S.B. No. 420, SD 1, HD 1  
"RELATING TO STATE FINANCES

S.B. No. 426, SD 1, HD 1  
"RELATING TO ECONOMIC DEVELOPMENT

S.B. No. 457, SD 1, HD 1  
"MAKING AN APPROPRIATION FOR THE WAIPAHO COMMUNITY ADULT DAY HEALTH CENTER AND YOUTH DAY CARE CENTER PILOT PROJECT

S.B. No. 464, SD 2, HD 2  
"RELATING TO IMPLEMENTATION OF A FIXED RAIL TRANSIT SYSTEM

S.B. No. 528, SD 2, HD 1  
"RELATING TO THE TRANSFER OF COUNTY LANDS AND IMPROVEMENTS

S.B. No. 538, SD 1, HD 1  
"RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION

S.B. No. 552, SD 2, HD 2  
"RELATING TO LANDOWNERS' LIABILITY

S.B. No. 574, SD 1, HD 2  
"RELATING TO CAPTIVE INSURANCE

S.B. No. 576, HD 2  
"RELATING TO THE UNIVERSITY OF HAWAII

S.B. No. 582, HD 1  
"RELATING TO STATE BONDS

S.B. No. 614, SD 1, HD 1  
"RELATING TO HEALTH INSURANCE

S.B. No. 635, SD 2, HD 2  
"RELATING TO TRAFFIC FINES

S.B. No. 637, HD 2  
"RELATING TO MISSING CHILDREN

S.B. No. 658, SD 1, HD 3  
"RELATING TO EMERGENCY CONTRACEPTIVES FOR SEX ASSAULT SURVIVORS IN EMERGENCY ROOMS

S.B. No. 665, SD 1, HD 2  
"RELATING TO PREPAID HEALTH CARE PLAN

S.B. No. 740, HD 2  
"RELATING TO HEALTH

S.B. No. 745, SD 2, HD 2  
"RELATING TO EMERGENCY MEDICAL SERVICES

S.B. No. 748, SD 2, HD 2  
"RELATING TO NURSING EDUCATION

S.B. No. 830, SD 1, HD 3  
"RELATING TO CRIMINAL HISTORY RECORD CHECKS

S.B. No. 837, SD 1, HD 2  
"RELATING TO WORKFORCE DEVELOPMENT

S.B. No. 855, SD 1, HD 3  
"RELATING TO ENERGY

S.B. No. 919, SD 1, HD 2  
"MAKING AN APPROPRIATION FOR BIOREMEDIATION RESEARCH

S.B. No. 931, SD 2, HD 2  
"RELATING TO HAWAII VICTIMS LEAVE ACT

S.B. No. 945, SD 1, HD 1  
"RELATING TO CHILDREN AND YOUTH

S.B. No. 946, HD 2  
"RELATING TO CAREGIVER CONSENT

S.B. No. 975, HD 1  
"RELATING TO GOVERNMENT

S.B. No. 1034, SD 1, HD 2  
"RELATING TO AGRICULTURAL LANDS

S.B. No. 1040, SD 1, HD 1  
"RELATING TO TRANSIENT ACCOMMODATIONS TAX

S.B. No. 1050, SD 2, HD 2  
"RELATING TO VETERANS RIGHTS AND BENEFITS

S.B. No. 1051, HD 2  
"RELATING TO PERSONAL TRANSPORTATION

S.B. No. 1055, SD 1, HD 1  
"RELATING TO MOTOR VEHICLE INSURANCE

S.B. No. 1068, SD 1, HD 2  
"RELATING TO HEALTH CARE FACILITIES

S.B. No. 1070, HD 1  
"RELATING TO EXAMINATIONS FOR THE DETERMINATION OF PERMANENT IMPAIRMENT

S.B. No. 1075, SD 1, HD 1  
"RELATING TO CONTESTED CASES

S.B. No. 1077, SD 1, HD 1  
"RELATING TO CONTINUING EDUCATION FOR INSURANCE LICENSEES

S.B. No. 1088, SD 2, HD 2  
"RELATING TO LONG-TERM CARE

S.B. No. 1134, SD 1, HD 1  
"RELATING TO COURT COSTS

S.B. No. 1156, HD 2  
"RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS

S.B. No. 1172, SD 2, HD 2  
"RELATING TO AIRLINES

S.B. No. 1234, SD 2, HD 1  
"RELATING TO ALCOHOLIC BEVERAGES

S.B. No. 1237, SD 1, HD 2  
"RELATING TO EDUCATION

S.B. No. 1239, SD 1, HD 2  
"RELATING TO ENERGY

S.B. No. 1241, HD 2  
"RELATING TO CANCER EXAMINATIONS

S.B. No. 1261, HD 2  
"RELATING TO PROCUREMENT CARD PAYMENTS

S.B. No. 1262, SD 1, HD 1  
"RELATING TO PROCUREMENT

S.B. No. 1267, HD 2  
"RELATING TO TOBACCO

S.B. No. 1274, SD 1, HD 1  
"RELATING TO MANSLAUGHTER

S.B. No. 1281, SD 1, HD 1  
"RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION

S.B. No. 1286, SD 1, HD 2  
"RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII.

S.B. No. 1305, SD 1, HD 1  
"RELATING TO STATE FUNDS

S.B. No. 1309, SD 2, HD 2  
"RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM

S.B. No. 1311, SD 1, HD 1  
"RELATING TO SPECIAL FUNDS

S.B. No. 1319, SD 1, HD 3  
"RELATING TO THE UNIFORM LIMITED PARTNERSHIP ACT

S.B. No. 1321, HD 2  
"RELATING TO MENTAL HEALTH

S.B. No. 1326, SD 1, HD 1  
"RELATING TO EDUCATION

S.B. No. 1332, SD 2, HD 2  
"RELATING TO THE COMPENSATION OF OFFICIALS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT

S.B. No. 1333, SD 1, HD 2  
"RELATING TO THE COMPENSATION OF  
OFFICIALS IN THE JUDICIAL BRANCH OF  
STATE GOVERNMENT

S.B. No. 1352, SD 1, HD 2  
"RELATING TO HOME AND COMMUNITY-  
BASED SERVICES

S.B. No. 1373, SD 1, HD 1  
"RELATING TO STAFFING FOR FEDERALLY  
FUNDED PROGRAMS

S.B. No. 1393, SD 2, HD 1  
"RELATING TO THE EXECUTIVE  
DEPARTMENTS OF STATE GOVERNMENT

S.B. No. 1394, SD 2, HD 1  
"RELATING TO CONFORMITY OF THE  
HAWAII INCOME TAX LAW TO THE  
INTERNAL REVENUE CODE

S.B. No. 1395, SD 1, HD 1  
"RELATING TO THE AMENDMENT OR  
REPEAL OF OBSOLETE TAX LAWS

S.B. No. 1397, SD 1, HD 2  
"RELATING TO SIMPLIFIED TAX  
ADMINISTRATION

S.B. No. 1399, SD 2, HD 2  
"RELATING TO A LONG-TERM CARE TAX  
CREDIT

S.B. No. 1400, SD 1, HD 1  
"RELATING TO TAX ADMINISTRATION

S.B. No. 1403, HD 1  
"RELATING TO DEPARTMENT OF  
TRANSPORTATION'S MARITIME-RELATED  
USES

S.B. No. 1410, SD 1, HD 1  
"RELATING TO CLAIMS AGAINST THE  
UNIVERSITY OF HAWAII AND PROVIDING  
APPROPRIATIONS THEREFOR

S.B. No. 1423, SD 2, HD 2  
"RELATING TO A COMMISSION ON  
FATHERHOOD

S.B. No. 1432, SD 2, HD 2  
"RELATING TO DIVERSIFIED  
AGRICULTURE

S.B. No. 1446, SD 2, HD 1  
"RELATING TO TECHNOLOGY

S.B. No. 1460, SD 1, HD 2  
"RELATING TO CONTRACTS ENTERED INTO  
BY THE HAWAII TOURISM AUTHORITY

S.B. No. 1462, HD 2  
"RELATING TO THE HAWAII TOURISM  
AUTHORITY

S.B. No. 1492, SD 1, HD 2  
"RELATING TO ASSISTED LIVING  
FACILITIES.

S.B. No. 1496, HD 1  
"RELATING TO AGRICULTURE

S.B. No. 1505, SD 1, HD 2  
"RELATING TO INVASIVE SPECIES

S.B. No. 1519, SD 1, HD 2  
"RELATING TO COMMUNITY HEALTH  
CENTERS

S.B. No. 1594, HD 1  
"RELATING TO THE COMMISSION ON  
WATER RESOURCE MANAGEMENT

S.B. No. 1619, SD 2, HD 2  
"RELATING TO TAXATION

S.B. No. 1621, HD 1  
"RELATING TO STANDARD DEDUCTION  
AMOUNT

S.B. No. 1629, SD 1, HD 2  
"RELATING TO THE GENERAL EXCISE TAX

S.B. No. 1647, SD 2, HD 2  
"RELATING TO SERVICES FOR  
INDIVIDUALS WHO ARE BLIND OR  
VISUALLY IMPAIRED

S.B. No. 1661, SD 2, HD 1  
"RELATING TO THE HOUSING AND  
COMMUNITY DEVELOPMENT  
CORPORATION OF HAWAII

S.B. No. 1675, HD 3  
"RELATING TO HEALTH

S.B. No. 1700, SD 1, HD 2  
"RELATING TO CHARTER SCHOOLS

S.B. No. 44, SD 2, HD 2  
"RELATING TO TRANSPORTATION

S.B. No. 459, SD 1, HD 1  
"RELATING TO CAMPAIGN SPENDING

Sen. Com. No. 638, transmitting S.C.R. No. 20, entitled:  
"SENATE CONCURRENT RESOLUTION REQUESTING  
THE DEPARTMENT OF TRANSPORTATION TO  
CONDUCT A STUDY TO DETERMINE THE COST-  
EFFECTIVENESS OF THEBUS AND A BUS RAPID  
TRANSIT SYSTEM," which was adopted by the Senate on  
April 10, 2003.

Sen. Com. No. 639, transmitting S.C.R. No. 35, entitled:  
"SENATE CONCURRENT RESOLUTION REQUESTING  
THE DEPARTMENT OF TRANSPORTATION, IN  
CONJUNCTION WITH THE COUNTY OF HAWAII, TO  
REVIEW THE CAUSES OF MOTOR VEHICLE  
COLLISIONS AT THE INTERSECTION OF HIGHWAY 11  
AND THE ENTRY ROAD TO THE TOWN OF PAHALA  
AND MAKE ANY NECESSARY IMPROVEMENTS TO  
LESSEN THE RISK OF ACCIDENTS," which was adopted by  
the Senate on April 10, 2003.

Sen. Com. No. 640, transmitting S.C.R. No. 44, entitled:  
"SENATE CONCURRENT RESOLUTION URGING THE  
PRESIDENT OF THE UNITED STATES OF AMERICA TO  
ISSUE AN EXECUTIVE ORDER GRANTING FEDERAL  
VETERANS EQUITY BENEFITS AND SERVICES TO  
FILIPINO WORLD WAR II VETERANS, THEIR SPOUSES,  
AND THEIR CHILDREN," which was adopted by the Senate  
on April 10, 2003.

Sen. Com. No. 641, transmitting S.C.R. No. 45, SD 1, entitled: "SENATE CONCURRENT RESOLUTION ENDORSING THE GOOD BEGINNINGS INTERDEPARTMENTAL COUNCIL'S SCHOOL READINESS TASK FORCE'S HAWAII STATE PRESCHOOL CONTENT STANDARDS," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 642, transmitting S.C.R. No. 46, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONDUCT AN EDUCATIONAL BRIEFING ON HAWAII'S MARKETS FOR WOOD WASTE," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 643, transmitting S.C.R. No. 54, entitled: "SENATE CONCURRENT RESOLUTION CREATING A WORKING GROUP OF REPRESENTATIVES FROM HAWAIIAN ORGANIZATIONS, THE DEPARTMENT OF HAWAIIAN HOME LANDS, AND THE DEPARTMENT OF HEALTH TO FORM A COALITION TO PROVIDE BETTER ACCESS TO STATE VITAL STATISTICS RECORDS," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 644, transmitting S.C.R. No. 66, entitled: "SENATE CONCURRENT RESOLUTION ESTABLISHING A SISTER STATE-PREFECTURE RELATIONSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE EHIME PREFECTURE OF JAPAN," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 645, transmitting S.C.R. No. 78, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII SYSTEM TO IMPLEMENT A SYSTEMWIDE SENIOR CITIZEN VISITOR PROGRAM," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 646, transmitting S.C.R. No. 85, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE EFFORTS OF THE ANAHOLA HOMESTEADERS COUNCIL IN DEVELOPING THE PROJECT FAITH MULTI-PURPOSE COMMUNITY CENTER IN ANAHOLA, KAUA'I," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 647, transmitting S.C.R. No. 89, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY ON REAL PROPERTY LEASES," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 648, transmitting S.C.R. No. 90, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING REVIEW OF AND RECOMMENDATIONS ON POLICIES TO ALIGN WORKFORCE DEVELOPMENT EDUCATION TO RESPOND TO ECONOMIC AND WORKFORCE NEEDS," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 649, transmitting S.C.R. No. 99, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONVENE A TRAFFIC ADVISORY TASK FORCE TO STUDY OAHU TRAFFIC CONGESTION ISSUES AND RECOMMEND SOLUTIONS," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 650, transmitting S.C.R. No. 100, entitled: "SENATE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF S. 68, RELATING TO IMPROVING

BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 651, transmitting S.C.R. No. 101, entitled: "SENATE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO SUPPORT THE PASSAGE OF H.R. 664, RELATING TO IMPROVING BENEFITS FOR FILIPINO VETERANS OF WORLD WAR II," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 652, transmitting S.C.R. No. 110, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY TO DETERMINE THE ECONOMIC FEASIBILITY OF CONSTRUCTING A FIXED RAIL SYSTEM AROUND THE ISLANDS OF HAWAII AND OAHU," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 653, transmitting S.C.R. No. 113, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE ALLOCATION OF RESOURCES TO ENSURE MEANINGFUL LANGUAGE ACCESS FOR INDIVIDUALS WITH LIMITED ENGLISH PROFICIENCY TO FEDERALLY-ASSISTED PROGRAMS AND SERVICES, AS REQUIRED BY FEDERAL LAW," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 654, transmitting S.C.R. No. 124, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A RURAL HEALTH SCIENCE CENTER AT THE UNIVERSITY OF HAWAII AT HILO," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 655, transmitting S.C.R. No. 130, SD 1, entitled: "SENATE CONCURRENT RESOLUTION ESTABLISHING AN AWARDS PROGRAM TO RECOGNIZE BUSINESSES WITH PARENT-FRIENDLY POLICIES," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 656, transmitting S.C.R. No. 132, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO LAUNCH A RENEWED PUBLIC EDUCATIONAL CAMPAIGN ON THE DANGERS OF CRYSTAL METHAMPHETAMINE," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 657, transmitting S.C.R. No. 143, SD 1, entitled: "SENATE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR THE PACIFIC HEALTH CENTER MASTER PLAN," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 658, transmitting S.C.R. No. 172, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE DEVELOPMENT OF A SELF-DETERMINATION DEMONSTRATION PROJECT USING CONSUMER-DIRECTED APPROACHES," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 659, transmitting S.C.R. No. 175, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A REPORT BY THE PATIENT SAFETY TASK FORCE OF THE HEALTHCARE ASSOCIATION OF HAWAII," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 660, transmitting S.C.R. No. 195, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING EXPLORATION OF THE FEASIBILITY OF CREATING PUBLIC-PRIVATE PARTNERSHIPS TO PROVIDE COST-EFFECTIVE HEALTH CARE SERVICES

TO LOW INCOME AND MEDICAID-ELIGIBLE INDIVIDUALS AND GOVERNMENT EMPLOYEES," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 661, transmitting S.C.R. No. 199, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE CONSIDERATION OF STRATEGIC PARTNERSHIPS WITH NON-PROFIT ENTITIES TO ENHANCE SELECTED PARK PROPERTIES WHILE APPLYING A COMMUNITY-BASED CULTURAL TOURISM MODEL," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 662, transmitting H.C.R. No. 28, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING CONGRESS TO FULLY FUND THE MILLENNIUM CHALLENGE ACCOUNT AND INVOLVE WOMEN AS FULL AND ACTIVE PARTICIPANTS IN ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS IN THEIR NATIONS," which was adopted by the Senate on April 10, 2003.

Sen. Com. No. 663, transmitting H.B. No. 78, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 664, transmitting H.B. No. 389, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FAMILY LEAVE," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 665, transmitting H.B. No. 754, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS BY MAIL," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 666, transmitting H.B. No. 772, entitled: "A BILL FOR AN ACT RELATING TO BONDS," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 667, transmitting H.B. No. 773, entitled: "A BILL FOR AN ACT RELATING TO BONDS," which passed Third Reading in the Senate on April 10, 2003.

Sen. Com. No. 668, transmitting H.B. No. 818, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE DRIVER'S LICENSE REVOCATION," which passed Third Reading in the Senate on April 10, 2003.

### INTRODUCTIONS

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

Representative Pendleton introduced his friends, Pastor Dan Smith, his wife Hilda, sons Alex and Eric from Southern California.

Representative Abinsay, on behalf of Representatives Arakaki, Finnegan and Ching, introduced students from Farrington High School, and their English teacher, Mrs. Pat Nakama, and chaperones Cody Yoshimura, Raniel Carbonal, and Glenn Ponce.

### ORDER OF THE DAY

#### COMMITTEE REASSIGNMENT

The following Senate bill was re-referred to committee by the Speaker:

#### S.B. No.

#### Re-referred to:

1647	Committee on Human Services and Housing, then
SD 2	to the Committee on Consumer Protection and
HD 2	Commerce, then to the Committee on Finance

### STANDING COMMITTEE REPORTS

Representatives Abinsay and Kanoho, for the Committee on Agriculture and the Committee on Water, Land Use, and Hawaiian Affairs presented a report (Stand. Com. Rep. No. 1546) recommending that H.C.R. No. 157, as amended in HD 1, be adopted.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 157, HD 1, be adopted, seconded by Representative Lee.

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

"On Standing Committee Report No. 1546, HCR 157, HD 1, I speak in support, Madame Speaker. Madame Speaker and colleagues, the purpose of this resolution is to formally recognize the Agricultural and Land Use Working Group in addressing the mandate of Article XI, Section 3, of the State Constitution, which is to conserve and protect agricultural lands, promote diversified agriculture, and to increase agricultural self-sufficiency.

"Madame Speaker and colleagues, there have been numerous efforts during the past 20 years, over 20 years as a matter of fact. So while helping to resolve and fulfill this mandate. But we have not fully succeeded yet. At least not yet. But I have no doubt that eventually, and they're not going to stop, we will.

"In 2001, different groups of stakeholders in the agricultural community formed the Agricultural Group or Coalition. And this Group or Coalition continued to meet throughout 2001 and 2002. And this year, this group is continuing to meet. They even reinvented themselves, renaming this group the Agriculture and Land Use Working Group. In addition to its mission to fulfill the mandate of Article XI, Section 3, the group is now tasked with addressing other issues, such as how to reclassify marginal agricultural lands to serve the purpose of residential subdivisions and determining the minimum agricultural lot sizes.

"Madame Speaker and colleagues, I am very pleased indeed at this scope of work and vision that the Working Group has willingly embraced in terms of what it wants to do and what it wants to achieve. And I believe that every member has something to contribute to the success of the Working Group, as each one well aware of the complexity involving land issues. And as policymakers and legislators, it is appropriate, in fact it is critical, that we recognize the assistance of this group and the important work it is doing.

"And so Madame Speaker and colleagues, I would like to thank the Chair of the Committee on Water, Land Use and Hawaiian Affairs. This resolution is testament to his constant support and encouragement to find the right solution to achieve this mandate.

"What we have done during this Session so far, Madame Speaker, is that there were many bills that were introduced.

And as you know, because of the complexities of this issue, we decided to just go ahead and ask them to continue to interact, form this group so that there is continuity, and we have recognized, to make sure there is continuity, there is leadership. That's exactly what is going on right now. They're going to come back next Session, God willing, because by the end of this year, they will come out with a report. By that time, we will be able to come out with some kind of legislation to address this issue. So with that, I stand in strong support and ask my colleagues to also support this resolution.

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

"Thank you, Madame Speaker. Also in very strong support and ask that the words of the Chair of Agriculture be recorded as my own," and the Chair "so ordered."

Representative Kanohe continued, stating:

"And this needs some brief comments. Anyone witnessing the discussions taking place by this working group would be very impressed, the last meeting, as well as all meetings that I attended previous to that. The last meeting had about 40 people representing various statements of State government, including the Land Use Commission, the Department of Agriculture, DLNR. The counties were represented. The conservationists, and the land owners were represented. Vice presidents of big organizations.

"They have been doing it with so much integrity and so much vigor that we can't help but be very impressed. And we look forward to finally addressing, after 25 years of being unable to fulfill the constitutional mandate, that with this kind of partnership and wholehearted cooperation, that we will finally and fulfill our obligation in meeting the mandates of the Constitution. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and 157, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION FORMALIZING THE ONGOING EFFORTS OF THE AGRICULTURE WORKING GROUP IN ADDRESSING THE MANDATE OF ARTICLE XI, SECTION 3 OF THE STATE CONSTITUTION AND RELATED AGRICULTURAL AND LAND ISSUES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representatives Abinsay and Morita, for the Committee on Agriculture and the Committee on Energy and Environmental Protection presented a report (Stand. Com. Rep. No. 1547) recommending that H.R. No. 123, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 123, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE AND DEPARTMENT OF LAND AND NATURAL RESOURCES TO UPDATE AND REPORT TO THE LEGISLATURE ON THEIR EFFORTS TO MONITOR AND RESTRICT THE IMPORTATION OF INVASIVE ALIEN AQUATIC ORGANISMS AND THEIR EFFORTS TO ERADICATE THESE ORGANISMS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representatives Abinsay and Morita, for the Committee on Agriculture and the Committee on Energy and Environmental Protection presented a report (Stand. Com. Rep. No. 1548)

recommending that H.C.R. No. 158, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 158, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF AGRICULTURE AND DEPARTMENT OF LAND AND NATURAL RESOURCES TO UPDATE AND REPORT TO THE LEGISLATURE ON THEIR EFFORTS TO MONITOR AND RESTRICT THE IMPORTATION OF INVASIVE ALIEN AQUATIC ORGANISMS AND THEIR EFFORTS TO ERADICATE THESE ORGANISMS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1549) recommending that H.R. No. 107, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 107, HD 1, entitled: "HOUSE RESOLUTION REQUESTING TELECOMMUNICATIONS AND CALL CENTERS TO INITIATE CUSTOMER RIGHT TO KNOW PROCEDURES REGARDING ALL INBOUND AND OUTBOUND COMMUNICATIONS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1550) recommending that H.C.R. No. 128, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 128, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING TELECOMMUNICATIONS AND CALL CENTERS TO INITIATE CUSTOMER RIGHT TO KNOW PROCEDURES REGARDING ALL INBOUND AND OUTBOUND COMMUNICATIONS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1551) recommending that H.C.R. No. 142, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 142, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO STUDY PREDATORY HOME LENDING PRACTICES AND LAWS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1552) recommending that H.R. No. 10, HD 1, as amended in HD 2, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 10, HD 2, entitled: "HOUSE RESOLUTION REQUESTING THAT THE PRESIDENT AND CONGRESS RECOGNIZE AN OFFICIAL POLITICAL



RELATIONSHIP BETWEEN THE UNITED STATES GOVERNMENT AND THE INDIGENOUS HAWAIIAN PEOPLE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hamakawa, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 1553) recommending that H.C.R. No. 10, HD 1, as amended in HD 2, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 10, HD 2, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE PRESIDENT AND CONGRESS RECOGNIZE AN OFFICIAL POLITICAL RELATIONSHIP BETWEEN THE UNITED STATES GOVERNMENT AND THE INDIGENOUS HAWAIIAN PEOPLE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1554) recommending that H.R. No. 54, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 54, entitled: "HOUSE RESOLUTION REQUESTING THAT THE SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY ESTABLISH A PACIFIC OCEANIC ADMINISTRATIVE REGION WITHIN THE DEPARTMENT OF HOMELAND SECURITY TO BE HEADQUARTERED IN HONOLULU," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Schatz, for the Committee on Economic Development and Business Concerns presented a report (Stand. Com. Rep. No. 1555) recommending that H.C.R. No. 51, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 51, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE SECRETARY OF THE DEPARTMENT OF HOMELAND SECURITY ESTABLISH A PACIFIC OCEANIC ADMINISTRATIVE REGION WITHIN THE DEPARTMENT OF HOMELAND SECURITY TO BE HEADQUARTERED IN HONOLULU," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Morita, for the Committee on Energy and Environmental Protection presented two reports:

(Stand. Com. Rep. No. 1556) recommending that H.R. No. 115, be adopted; and

(Stand. Com. Rep. No. 1557) recommending that H.C.R. No. 143, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 115 and H.C.R. No. 143, be adopted, seconded by Representative Lee.

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

"Madame Speaker, in opposition to 1556 and 1557, on the bottom of page 3 and the top of page 4. The Kyoto Protocol.

The resolution points out correctly that the Protocol was completed on December 11th, 1997. The President was William Jefferson Clinton. He served for 3 more years and during that period of time, he chose not submit this as is required in the 'Be it resolved' section, to the United States Senate for ratification. He chose not to do this. He chose not to do this for a very good reason. The Senate is overwhelmingly opposed to the Kyoto Protocol. So why send them a Protocol that is going to be voted down overwhelmingly. That was the basis for his judgment. This Body in its wisdom chooses to second-guess the wisdom of President Clinton.

In addition, this resolution. It is part of a string of resolutions this Body has dealt with this year. I don't know where they come from. This resolution is instructing us about what's going on in Europe. And did you know, Madame Speaker, that in Europe, the debate over the science of the climate change is essentially over? That's what the resolution says. And I suppose in Hawaii, which is as far from Europe as you can get. Anywhere in the United States that's going to be guided by what's going on in Europe, rather than what's going on in the United States. And why do I suppose that Madame Speaker? Because another 'Whereas' says, "Whereas the State of Hawaii, like Europe, is more interested in creating solutions to climate change that presumably the United States ..." So, you know, I guess that square on our flag that has the British Union Jack really does have some meaning, because Hawaii is now binding itself closer to Europe and separating ourselves from the United States with resolutions like this. Thank you, Madame Speaker."

Representative Blundell rose in opposition to the measure and asked that the remarks of Representative Fox be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

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

"Thank you, Madame Speaker. I rise in support of this resolution. Thank you. In July 2001, the European Union, Japan, Canada, Russia, Australia, and 170 other nations reached an agreement to proceed with the treaty. In order to secure support of the highly industrialized nations, substantial concessions were made. The targets for emission reductions were reduced by two-thirds from their original goals, and countries were given the option of planting carbon absorbing forests to earn pollution credits in lieu of reducing emissions. Still the United States, which contributes to over 25% of the global carbon dioxide refuses to participate in the treaty.

"Why should we in Hawaii be concerned? Well, as an island state, we are especially vulnerable to the effects of global climate change. Rising sea levels threaten our shoreline. Increase storm activity and intensity threaten the lives of our residents, and our economic stability and prosperity. Long-time residents of Alaska will tell you that evidence of climate change is already apparent in their state as they see familiar glaciers receding.

"In the South Pacific, the low-lying island nation of Tuvalu has experience record high tides of ten feet that have flooded the island, jeopardizing its fresh water supply and arable lands as rising tides saturate the soil with salt. Tuvalu is pleading with New Zealand and Australia to allow its citizens to immigrate to these countries as they estimate to lose their land base within 50 years.

"Critics of the Kyoto Protocol often cite costs. But the costs are as nominal as adding \$5 to the price of a \$25,000 new car. What is not said is the how much money it will cost to

minimize or mitigate the impacts of climate change. For example, what are the insurance costs associated with more frequent and severe storms? What are the medical costs associated with health problems associated with poor air quality?

"I share with you a portion of a February 11th 2003 article that appeared in the *Wall Street Journal* entitled, Bush's Global Warming Plan Draws Heat from Business. It says: "The White House bills its proposal as a less costly alternative to mandatory caps being implemented in other countries ..."

Representative Fox rose to a point of order, stating:

"Point of order, Madame Speaker. We are discussing the Kyoto Accords, not the Bush energy policy.

The Chair responded, stating:

"I think that's related. Please proceed."

Representative Morita continued, stating:

"Thank you. Well, let me cut it short. Basically there are numerous companies that support the Protocol, US business that supports the Protocol and United States involvement. We're asking the President to support this to because we believe he can influence the change in attitude within the Senate.

"I just want to conclude, New York Times columnist and Middle East expert, Thomas Friedman says, "When we tell the world we couldn't care less about climate change. That we feel entitled to drive whatever big cars we feel like. That we feel entitled to consume however much oil we like. The message we send is that a war over oil in the Gulf is not a war to protect the world's right to economic survival, but our right just to indulge. And that could be seen as immoral." Thank you."

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

"Madame Speaker, very briefly in support. I just wanted to say that there was some legitimate science in the debate about a decade ago over whether or not greenhouse warming was actually happening. And there was some credible scientists on the other side of the issue. That is no longer the case. There is overwhelming scientific consensus on the reality of greenhouse warming. Our own School of Ocean, Earth Science and Technology, the National Oceanic and Atmospheric Administration, the Environmental Protection Agency, the United Nations Environmental Program. There are very, very, very, few credible scientists who dispute the reality of greenhouse warming. It does affect an island state more than it affects other places.

"And finally to the Minority Leader's question about the appropriateness of challenging the United States Senate on this issue. I think Bill Clinton was wrong. I think George Bush is wrong on this. I think our State is more progressive from an energy independence and renewal energy standpoint. And that's a great place to be. And if that puts us in opposition to the United States Senate, then I think that's appropriate. Thank you."

Representative Hale: Thank you, Madame Speaker. I rise to support and would like the words of the Representative from Kauai and from Makiki as my own," and the Chair "so order." (By reference only.)

Representative Hale continued, stating

"But I would also like to say that Hawaii has led the nation in many areas. Healthcare and other areas. And the protection of the rights of people, particularly the Equal Rights Amendment which the United States Congress hasn't passed yet. So, think it is our role, as a part of the United States, to lead the nation and show them that there may be better ways to do things. Thank you."

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

"Thank you, Madame Speaker. In opposition. I would like to dispute the previous statement made that, if forgot the wording but basically, it is well understood by scientists that the cause of the heating or the gradual temperature increase is due to the greenhouse affect. I dispute that because I don't think that that's true. That it is tied to the greenhouse affect.

"I think that what might be true is that we do see that the data shows that the average temperature of the earth is continuing to rise every year. That's true. The cause, though, is very much in dispute. And it appears that the earth goes through several cycles over several million years. From cold to hot, to cold, to hot. And, much to the chagrin of many, it was even before humans had appeared on the planet. So I think we might be giving ourselves too much credit in affecting the temperature of the earth right now. So, Madame Speaker, I'm in opposition, and I don't think that it's actually due to the greenhouse affect. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I'm rising in opposition. Madame Speaker, the supporters of the Kyoto Protocol would like to close the debate on greenhouse gases and global warming. But Harvard just finished a study where they examined 1,000 years of global temperatures and 240 scientific journals from the past 40 years. And they concluded that despite man's activity on earth, the temperatures were warmer in the Middle Ages than they were now.

"Essentially Harvard's study shows that the Kyoto Protocol is a sham. It's been said that the Kyoto Protocol is bad policy, based on bad science, motivated by bad politics. This is the reason why over 17,000 scientists have signed petitions against the Kyoto Protocol. Even scientists that participated because they found that the evidence that was given was twisted and spun for political gain. And this is the reason why President Clinton, as well as President Bush, had not moved this forward. The reason is because it will undercut the US economy greatly, and the second greatest emitter of greenhouse gases in the world, China, is completely exempt. See, the Kyoto Protocol is a bad idea, based on bad science, motivated by bad politics. And I don't think it's a good idea ..."

Representative Schatz rose to a point of order, stating:

"Madame Speaker, point of order. I think it's inappropriate to speak to the motivation of this piece of legislation or any other piece of legislation. To call it 'bad politics' is inappropriate and out of order."

The Chair responded, stating:

"I think he's in order. Please proceed."

Representative Stonebraker continued, stating:

"Thank you, Madame Speaker. I would just like to say that it is bad policy. And it's based on bad science, motivated by bad politics, and I am quoting somebody else on that.

"So I think it is a bad idea. I think that everybody should vote this down. It's not good for our economy. It's not good for our country. And that's why the previous two Presidents have held this up. Because they have the country's best interest in mind. And I wouldn't want this Body to pass a resolution that undermines and undercuts the United States of America. Thank you."

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

"Thank you, Madame Speaker. In opposition. First of all, I would like to incorporate the words from the speaker from Waikiki, and Waipio/Mililani and Hawaii Kai," and the Chair "so order." (By reference only.)

"And as the Representative from Mililani/Waipio indicated, scientists are split on this. I'm a scientist and I'm split on this. Because I don't agree that global warming is caused by the things that people say it is. I agree with the other scientist that just spoke that the earth is getting warmer, as it has since the earth began. There have been glaciers come, and glaciers go. And right now they're going. And someday they'll come again and we'll say, "Where's all the carbon dioxide? Let's spew it forth as fast as we can to save the earth."

"Most of the carbon dioxide on the earth comes from whales and people. Are we going to eliminate whales and people? It's from mammals. That's where carbon dioxide comes from. So let's blame us for global warming. I guess we should jump off the Pali or something, commit suicide, because that's what it's going to take to turn this around."

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

"Madame Speaker, I would like to rise in support of the resolution, and would like to make it clear that I am also the Representative from Mililani, District 38 would probably make it more clear. And I also, in making this statement, am not undercutting the government of the United States. I'm not being unpatriotic. I'm simply expressing my feelings on this issue."

The Kyoto Protocol is the only international agreement that sets targets to reduce greenhouse emissions causing global climate change. Climate change is likely to become more erratic, disruptive, and unpredictable in the future. And we've seen that. It represents a decade of negotiations and includes mechanisms to provide, in addition, implementation. Although President Bush withdrew the United States from the Kyoto Protocol for reasons related to cost, the long-term costs doing nothing are staggering. Many physicians and leading medical organizations say that the Kyoto Protocol is critical for clean air and health.

"In addition, businesses are finding it is actually more profitable for them to invest in pollution-reducing technology which increases efficiency. Studies in North America, namely Canada, show that adopting the Kyoto Protocol and a climate action plan, would stimulate the high-tech and construction industries, create jobs, reduce healthcare cost from air pollution, and help protect our eco-system. Technology and procedures are already being used by far-sighted industries. It is time for the Bush Administration to start fighting global warming, not to fight against solutions. This is an economic, as well as a social justice issue. Failure to act means increase impacts on small island nations, small island states, the Arctic, and developing countries. I urge the Members to support this resolution."

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

"Thank you, Madame Speaker. I am opposed to this resolution. There is no dispute that there is global warming going on. In fact, in past years I have introduced resolutions in favor of carbon sequestration, for tax credits for growing trees and the oxygen gain can be offset by carbon monoxide, which is the result of urban areas. And I thought this would be a very good thing for Hawaii to use, to grow trees for tax credits and help save the planet and counteract global warming. So I am not opposed to our fighting global warming."

"But I don't think we should blame President Bush for this Kyoto Protocol, because in the past, the Congress has not passed global warming, and has not signed the Kyoto Protocol. It has refused to do so long before this present Administration. So as I have stated on this floor earlier, most of the pollution is, of course, if from Third World and underdeveloped countries that burn wood and coal, especially brown coal which is highly polluting."

"And as the previous speaker mentioned, these countries are exempt from the Kyoto Protocol. I don't believe that we should sign it. Western European countries have also refused to sign it. These are developed countries also. So I think it's unfair that we should demand that our country be the only one to sign this. It will be highly detrimental to our economy and we think we should look for a 'go slow' approach. Thank you."

At this time, the Chair stated:

"Members, we have had a lot of fruitful discussion. At this point, would you be willing to submit your comments?"

Representative Leong rose in opposition to the measure and asked that the remarks of Representative Fox be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Meyer rose in opposition to the measure and asked that the remarks of Representatives Ontai and Stonebraker be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Stonebraker rose in opposition to the measure, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Stonebraker's written remarks are as follows:

"Mr. Speaker, while many would like to heap blame on President Bush for "global warming" and the U.S. policy towards the Kyoto Treaty, as I have mentioned, both President Clinton and President Bush have taken the same stance against these protocols because they are disproportionately bad for the United States of America."

"The crux of the argument is the source of the warming we have seen since the turn of the 20th Century. As I have noted, the study produced by Harvard indicates the earth was warmer between 800 – 1300 A.D. than it is now. It cooled from 1300 to 1900 A.D. and has begun to warm again since 1900 A.D."

"The study significantly refutes the notion that current warming is caused by human activity. This is the notion that the Kyoto protocols are based on: that people cause global warming."

"But adopting policy based on flawed data is dangerous, and in this case, particularly onerous to the U.S. economy. So to assume that President Bush is standing in the way is untrue."

Both he and the former President have taken the same position because it is the best position for the people of the United States and the U.S. economy.

"Do we care about the environment? Yes. Republican President George W. Bush recently noted that the U.S. has spent over \$18 billion on climate research. That's more than all the European Union Nations combined. This more accurately reflects our nation's and our President's concern for the environment."

Representative Morita rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Morita's written remarks are as follows:

"There is widespread agreement among the scientific community that the earth is getting warmer and that this phenomena has been caused by the large amount of greenhouse gases that humans release into the atmosphere. The United Nations Intergovernmental Panel on Climate Change (IPCC) is an international group of climate scientists and meteorologists who review current climate and meteorological research. IPCC studies have been peer-reviewed within the scientific community. This means that independent scientists have studied the data, replicated the experiments and reached the same conclusions. The peer-review system is a worldwide accepted practice among the scientific community to ensure the quality of scientific research and the validity of results.

"According to a report released in 2001 by the IPCC, the global average surface temperature has increased by 1 degree Fahrenheit. The report further states, "It is very likely that the 1990s was the warmest decade and 1998 the warmest year in the instrumental record since 1861". Ocean temperatures have also been rising since the 1950s. The IPCC also agrees that this rise in temperature is caused by human activities. The 2001 report states, "There is new and stronger evidence that most of the warming observed over the last 50 years is attributable to human activities."

"In addition to the international consensus represented by the IPCC, the most prominent scientific organization in the United States, the National Academies, comprised of the National Academy of Science, the National Academy of Engineering, the Institute of Medicine and the National Research Council, agrees with the IPCC 2001 report.

"There are of course many global warming skeptics. These types of organizations, funded by "radical" conservative groups, have released many reports that claim to refute the findings of the IPCC. However, these reports are not peer-reviewed and the resulting studies remain invalidated.

"The Representative from Hawaii Kai mentions a petition signed by 19,000 "scientists". This petition has been circulating since 1998. The organization sponsoring the petition, the Oregon Institute of Science and Medicine (OISM) claims that 19,200 people have signed it. OISM attached this petition to a report claiming that if the earth is getting warmer it is because of natural causes and that increased carbon dioxide will have beneficial effects.

"This petition does not represent a peer-review or a validation of results. What this petition represents are 19,200 people with various technical degrees who do not believe in global warming. 19,200 people is a little more than 1.25 % of the population of Hawaii. It is not surprising that such a small group of people, worldwide, holding technical degrees, do not believe in global warming. The fact still remains that there is overwhelming consensus in the international scientific

community, supported by the leading researchers throughout the world, that global climate change is a fact. Subsequently, many of the claims made by OISM have been addressed and refuted in the IPCC 2001 report.

"Although there has been debate among the scientific community in the past, there is widespread and international agreement that global warming is happening. In order to mitigate the impacts of global warming, we must heed the consensus of the international scientific community and take proactive steps to curb this phenomenon to protect future generations."

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

Representative Pendleton rose in opposition to the measure and asked that the remarks of Representatives Fox and Ontai be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Bukoski rose in support of the measure with reservations, and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Bukoski's written remarks are as follows:

"In support with some reservations for HCR 143. This resolution calls for the President of the United States to forward the Kyoto Protocol to Congress for adoption. I am in complete support of reducing carbon dioxide emissions, but am not necessarily convinced that the Kyoto Protocol is the answer.

"I view this as a homerule issue on a national level and believe that if states take responsibility for their own emissions and implement measures that will lead to the mitigation of further emissions, we can achieve the same goals without placing the US at an unfair economic advantage.

"Thank you, Mr. Speaker."

Representative Marumoto rose and stated:

"I would like a no vote on 1557 also."

The Chair responded, stating:

"We were taking both 1556 and 1557 at the same time."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 115, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES PRESIDENT TO SUBMIT THE KYOTO PROTOCOL TO THE UNITED STATES SENATE FOR RATIFICATION," was adopted, with Representatives Blundell, Finnegan, Fox, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Stonebraker voting no, and with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 143, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES PRESIDENT TO SUBMIT THE KYOTO PROTOCOL TO THE UNITED STATES SENATE FOR RATIFICATION," was adopted, with Representatives Blundell, Finnegan, Fox, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton and Stonebraker voting no, and with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1558) recommending that H.R. No. 78, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 78, HD 1, entitled: "HOUSE RESOLUTION ENCOURAGING THE PRESERVATION OF OUR STATE BEACHES AND SHORELINES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1559) recommending that H.C.R. No. 80, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 80, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION ENCOURAGING THE PRESERVATION OF OUR STATE BEACHES AND SHORELINES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1560) recommending that H.C.R. No. 131, HD 1, as amended in HD 2, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 131, HD 2, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII'S FEDERAL SECTION 8 VOUCHER PROGRAM," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1561) recommending that H.C.R. No. 12, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 12, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE OFFICE OF THE PUBLIC GUARDIAN TO CONVENE A TASK FORCE TO RE-EVALUATE THE PLACEMENT OF THE OFFICE OF THE PUBLIC GUARDIAN," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented two reports:

(Stand. Com. Rep. No. 1562) recommending that H.R. No. 17, HD 1, be adopted; and

(Stand. Com. Rep. No. 1563) recommending that H.C.R. No. 17, HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 17, HD 1, and H.C.R. No. 17, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I rise in strong support of Standing Committee Reports Nos. 1562 and 1563. Madame

Speaker, the purpose of these resolutions is to authorize the establishment of a State-province relations of friendship between the State of Hawaii and the Province of Ilocos Norte in the Republic of the Philippines. As a proud Filipino, who's grandmother immigrated her to the United States from Ilocos Norte, I am very much pleased and proud that we are moving this forward. And I am somewhat surprised that we have taken so long to do this. Perhaps the Filipino community just assumed that we already had one of these sister State-Province relations with a place from which so many Filipinos in Hawaii trace their ancestry.

"I remember hearing stories about how my family actually immigrated here by mistake. They were working for a plantation in Ilocos Norte when their company said they would then be moved to work for a company in the then Territory of Hawaii. Then war intervened, and Statehood, and we found ourselves American citizens.

"I think this resolution and this sister State-Province relationship would do much for cultural exchange, for education, for commerce and for increased friendship. It is important for us as a multi-cultural State here to hold on to the ties that we have and to cherish the cultural and heritage legacies that we have. So I thank the introducers of this measure and thank the Chairs for moving these resolutions out. I urge all of my colleagues to support these measures."

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

"Thank you, Madame Speaker. On the same resolutions, 1562 and 1563, I stand in strong support, and I would like the words of the Representative from the 49th District to be inserted as my own," and the Chair "so ordered."

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

"Madame Speaker, I rise in strong support of the same two resolutions."

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

"*Mabuhay and naimgbag a malen yo amin.* Since we are going to sister states, we might as well teach you a few phrases. *Magandang araw sa iyo* to you. I would also like to stand in support of this reso. I think it is important, very important for us to have sister-province, sister-state relationships with this particular province especially.

"This province is, I assure you, this particular province and the lower one below it which is Ilocos Sur, is the source of most of the Filipino laborers that came her to work on the plantation. And it is because of those Filipinos that came her earlier, that brought us the second wave, my family, into this wonderful State of ours.

"I did have a chance to go back last year to this particular province after 30 years of absence. It is a beautiful place and very safe. It is currently under one of the most stable government entities or administrations for provinces in the Philippines. I can assure you, Madame Speaker, that if you were to take a trip to this particular province, you would be treated like a queen. Thank you very much."

Representative Karamatsu rose in support of the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Karamatsu's written remarks are as follows:

"Mr. Speaker, I am proud to represent the district of Waipahu, which has a very diverse and rich history. Many of my constituents are of Filipino ancestry and have family roots that trace back to the Province of Ilocos Norte of the Republic of the Philippines. A State-Province relationship of friendship between the State of Hawaii of the United States of America and the Province of Ilocos Norte of the Republic of the Philippines will promote cultural, commercial, and financial exchange between the two regions. Furthermore, this relationship will foster peace and diplomacy for years to come.

"Thank you."

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

"Strong support, Madame Speaker."

Representative Wakai: Madame Speaker, I rise in strong support. *Mangadang gabi sayong lahat*. You don't have to be Filipino to enjoy the Filipino culture. I would like to submit my written comments into the Journal."

Representative Wakai's written remarks are as follows:

"I strongly support creating a symbolic a bridge between Hawaii and Ilocos Norte. 97 years ago the first Filipino immigrants landed on our shores. Those forefathers from Ilocos Norte, known as *sakadas* planted the seeds of a vibrant and illustrious segment of our community. Today's Filipinos are an integral part of our diversity. Continuing this strong relationship between Hawaii and Ilocos Norte will serve to fortify this bond for generations to come."

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

"Madame Speaker. I am glad to see that at least one resolution that came out of my Committee does get support from both sides of the aisle."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 17, HD 1, entitled: "HOUSE RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF STATE-PROVINCE RELATIONS OF FRIENDSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF ILOCOS NORTE OF THE REPUBLIC OF THE PHILIPPINES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 17, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF STATE-PROVINCE RELATIONS OF FRIENDSHIP BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF ILOCOS NORTE OF THE REPUBLIC OF THE PHILIPPINES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1564) recommending that H.R. No. 18, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 18, entitled: "HOUSE

RESOLUTION SUPPORTING THE DEVELOPMENT OF A RURAL HEALTH CARE CENTER AT THE UNIVERSITY OF HAWAII AT HILO," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1565) recommending that H.C.R. No. 19, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 19, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE DEVELOPMENT OF A RURAL HEALTH CARE CENTER AT THE UNIVERSITY OF HAWAII AT HILO," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented two reports:

(Stand. Com. Rep. No. 1566) recommending that H.R. No. 45, HD 1, be adopted; and

(Stand. Com. Rep. No. 1567) recommending that H.C.R. No. 41, HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 45, HD 1, and H.C.R. No. 41, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I don't mean to speak on everything on this particular OD, but I rise in strong support regarding Standing Committee Reports No. 1566 and 1567, relating to the Kailua High School alternative access road. Madame Speaker, again the purpose of the resolution is to urge the Department of Accounting and General Services to establish an intergovernmental community taskforce to plan for the development of an alternative access road to Kailua High School.

"As the Representative for this particular district, I am very familiar with this particular problem. We have in fact, an access road which is much too narrow, to Kailua High School. We've had a number of close calls, a number of injuries. There are no sidewalks along that particular access road, so when children walk to and from their homes, through that neighborhood, often times high school students who are driving to school and sometimes, perhaps, running a little bit late, are driving perhaps too quickly. And so we've had too many close calls.

"I hope this measure as it moves forward, and as it results in an alternative access road, will in fact, save lives and do a lot of good, and will be worth every penny it may eventually cost. Thank you, Madame Speaker."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 45, HD 1, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO ESTABLISH AN INTERGOVERNMENTAL-COMMUNITY TASK FORCE TO PLAN FOR THE DEVELOPMENT OF AN ALTERNATIVE ACCESS ROAD TO KAILUA HIGH SCHOOL IN KAILUA, O'AHU," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 41, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO ESTABLISH AN INTERGOVERNMENTAL-COMMUNITY TASK FORCE TO PLAN FOR THE DEVELOPMENT OF AN ALTERNATIVE ACCESS ROAD TO KAILUA HIGH SCHOOL IN KAILUA, O'AHU," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1568) recommending that H.R. No. 50, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 50, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY CONCERNING THE ESTABLISHMENT OF AN OFFICE OF INTERNATIONAL AFFAIRS IN STATE GOVERNMENT," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1569) recommending that H.C.R. No. 47, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 47, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY CONCERNING THE ESTABLISHMENT OF AN OFFICE OF INTERNATIONAL AFFAIRS IN STATE GOVERNMENT," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1570) recommending that H.C.R. No. 55, HD 1, be adopted.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 55, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. On Standing Committee Report 1570, I would like to stand in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 55, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM BUSINESS ACTION CENTER TO COORDINATE AND FACILITATE THE PROJECT REVIEW AND PERMITTING PROCESS OF A PLASMA-ARC TORCH FACILITY IN THE STATE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1571) recommending that H.C.R. No. 68, HD 1, be adopted.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 68, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. On Standing Committee Report No. 1571, I stand in strong support. Whenever the subject of privatization comes up, including the privatization of small boat harbors, there is concern and controversy. This resolution would ask the Department of Land and Natural Resources to look at the unutilized portions of Keehi Lagoon, to meet with all the present users, and pave the way for eventual privatization, again only for those unutilized areas.

"There is a tremendous need for additional slips and berthing facilities. The State does not have the resources to construct any of this. And the only way we can proceed and accommodate the unmet demands for such facilities is through the private sector. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 68, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE BOARD OF LAND AND NATURAL RESOURCES TO EXPLORE THE LEASING OF UNUTILIZED FAST AND SUBMERGED LANDS AT KEEHI LAGOON FOR THE PRIVATE DEVELOPMENT OF BOATING AND OCEAN RECREATIONAL FACILITIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1572) recommending that H.C.R. No. 85, HD 1, be adopted.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 85, HD 1, be adopted, seconded by Representative Lee.

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

"Madame Speaker, I stand in strong support of Standing Committee Report No. 1572, H.C.R. No. 85, HD 1. Thank you, Madame Speaker. The purpose of this for a CPS audit and investigation. Madame Speaker, I have wept for the families broken apart unnecessarily, by Child Protective Services. I have cried and prayed for children hurt by the system's neglect and alleged policy abuses. I am not here to blame anyone. I have personally talked to both parents of this beautiful baby boy, Kealii Keahi, who died last week. My heart aches for everybody. I do not blame the foster parent.

"All we are looking at is that we have a terrible system that might be out of place. We have give the power to Child Protective Services, and unusual power where just by hearsay, they can go into your home and take your children out of your home. Even HPD would not come and do a drug bust by just a hearsay. Even if we knew that that neighbor was selling drugs, and even if they caught that person, when they arrest them they read them their *Miranda* rights.

"This government was formed by laws. And the laws say that you are innocent until proven guilty. Madame Speaker, parents, families, even church pastors have testified to the horror stories of abuse by Child Protective Services. People's careers have been ruined and children have been dragged away by overzealous workers based on a rumor. The rumor is usually called in anonymously. Everything is done in secret. The confidentiality clause make it impossible for due process to

be accomplished. There is little chance of meeting even your accuser. One family advocate told of his 40 cases where families were being accused by CPS for spanking their child. There is a fine line between abuse and spanking. I serve a God that says that, "if you spare the rod, you spoil the child." But yes, there is a fine line between abuse. Madame Speaker, we have substantiated that there is a disproportionate number of children who are taken away in Waianae and Ewa Beach. In fact, over 40% of the children are native Hawaiians.

"Madame Speaker, in the articles in the *Star Bulletin*, by Rick Daysog, both articles speak of this injustice, I would like to have permission to incorporate both articles into the Journal," and the Chair "so ordered."

"And Madame Speaker, myself, the Chair of Health, and my Vice Chair from Waianae know all too much about these injustices. We are a nation formed by laws, not by man. And I really appreciate this Body, and even my colleagues and my members of Human Services and Housing, for we all felt this injustice, and it is now the time to step forward for an independent, not only an audit, but an investigation. And I am also pleased that the leadership here, ..."

Representative Shimabukuro rose to yield her time, and the Chair "so ordered"

Representative Kahikina continued, stating:

"Thank you, Vice Chair. And I am very pleased that even the leadership will support us during the interim, to go to every island do to a CPS forum. I'm being called every day. In fact, people are waiting for us to go because they have stories of this grave injustice. And I hope that we can work together with Director Koller who I am very encouraged, who has the sensitivity, who has the compassion, who realizes that perhaps there is something going on with this system.

"We want to know what's going on. When CPS takes the child, do they do a physical check on them? Because it's not the foster parent's fault. Are they are passing on that information to the foster parent? Are they training the foster parents correctly? All of these systematic unanswered questions need to be answered. And I thank this Body and urge everyone to support it. Thank you."

Representative Kahikina submitted the following articles from the *Honolulu Star Bulletin*:

House wants Child Services audit

Two committees approve a resolution to investigate Child Protective Services  
By Rick Daysog  
rdaysog@starbulletin.com

Two state House committees approved a resolution yesterday calling for an audit of the state Child Protective Services.

The House committees on Human Services and Housing and Health voted 7-0 to pass an amended resolution, which calls for state Auditor Marion Higa to review the standards used by CPS workers to seek the removal of children from their families.

The amended proposal also calls for an independent investigation by the state Civil Rights Commission and the Department of Justice's Office of Civil Rights to investigate the CPS system, although neither agency may have jurisdiction.

Rep. Michael Kahikina, chairman of the Human Services and Housing Committee, said he has received complaints from

parents about alleged abuses by CPS workers ever since he first was elected to the House nine years ago.

Kahikina (D, Nanakuli, Maili, Waianae) said he has personally witnessed situations in which CPS workers threatened to take children away from their parents based on unsubstantiated allegations of abuse or neglect.

"We've been hearing about this in the community for years," Kahikina said. "We need to have some answers."

Lillian Koller, director of the Department of Human Services, asked the committees to defer the audit, saying the auditor is currently conducting a follow-up to a 1999 audit of the state agency.

She added that the federal government plans to begin an in-depth audit of Hawaii's child welfare services in July, as part of a nationwide study.

"While we support an additional audit, we recommend that it should be deferred until the two audits are completed, as they may address many of the concerns raised in this resolution," Koller said.

During the two-hour hearing, the two House committees received testimony from more than a dozen parents who alleged that CPS workers abused their authority and ruined their families.

One mother, Traci Williams, of Ewa Beach, said one CPS social worker arrived at her home last October saying the agency received an anonymous tip that she was using drugs.

Williams, whose husband is in the Navy and was deployed in the Persian Gulf at the time, said the social worker placed her children temporarily in the custody of a foster home after she would not consent to a drug test without her attorney present.

A Family Court judge later ordered Williams and her husband, who returned from the Gulf, to undergo random drug testing, which turned up no evidence of drug use, she said.

The children were returned to the couple, but Williams said the ordeal ruined her husband's military career and scarred her children.

"Our lives have been turned upside down," Williams said. "We had everything six months ago. Now we have nothing."

Amy Tsark, administrator for the state Child Welfare Services Branch, said she could not comment on the allegations by Williams and other parents due to confidentiality laws. But she said the testimony reflected just one side of the child protective process.

She said that social workers consult children's families, the families' providers, the Judiciary and other parties in the child welfare service system.

"CPS does not make its decisions in a vacuum," she said.

*Honolulu Star Bulletin*  
March 20, 2003

Investigation urged in foster-care death

A 1-year-old boy with asthma died Friday as his mother challenged the state's custody

By Rick Daysog  
rdaysog@starbulletin.com



Two state lawmakers want a special investigator appointed to look into the death of a 1-year-old Nanakuli boy who was under foster care.

House Human Services and Housing Committee Chairman Michael Kahikina and House Health Committee Chairman Dennis Arakaki are asking the Lingle administration to name an independent investigator to examine the circumstances of the infant's death Friday.

They also are calling for an investigation into the state Child Protective Services' handling of the boy's custody case.

The child's death "raised deep concerns as the methods used by CPS case workers in this tragic situation," said Kahikina (D, Nanakuli). "We have a responsibility to the families of our community to find out what happened to cause this boy's death."

State CPS officials could not be reached for immediate comment. In the past, they have declined comment on individual cases, saying they involved confidential matters.

The boy, who had a history of asthma, lost consciousness Friday and was transported to St. Francis Medical Center West, where he was pronounced dead, according to a police report.

Police said there were no signs of foul play, but noted that an investigation was pending.

At the time, the boy was in the care of foster parents in Nanakuli, who are related to the boy's father.

Shanda Keahi, the boy's mother, said yesterday that she had asked state social workers last November to remove her son from the foster home after he came down with bronchitis. She alleged that CPS workers negligently handed her child to people ill-equipped to serve as foster parents.

According to Keahi, the CPS took temporary custody of her youngest son in June when he was three months old after she began serving a 15-day jail term for spouse abuse. She said state social workers were attempting to revoke permanent custody of the boy and his siblings when the infant died.

"This could have been avoided," Keahi said. "Right now, I want my kids away from the foster parents."

The call for an investigation comes as Kahikina and Arakaki (D, Kamehameha Heights) are spearheading an effort to audit the state's CPS system.

During a two-hour hearing on the House resolution last month, the health and human services committees heard testimony from dozens of parents who said state CPS workers trampled on their due-process rights in attempting to revoke custody of their children.

*Honolulu Star Bulletin*  
April 8, 2003

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

"I stand in strong support and ask that the words of the previous speaker be inserted in the Journal as my own," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 85, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A PROGRAM AUDIT AND INVESTIGATION OF THE VARIOUS AGENCIES

INVOLVED IN THE CHILD PROTECTIVE SERVICES SYSTEM," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1573) recommending that H.C.R. No. 92, be adopted.

Representative Saiki moved that the report of the Committee be adopted and that H.C.R. No. 92 be adopted, seconded by Representative Lee.

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

"Madame Speaker, I rise in strong support of No. 1573. I am pleased that this resolution has been introduced."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.C.R. No. 92, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS, IN CONJUNCTION WITH HAWAII'S HEALTH PLANS, TO EXPLORE OPTIONS FOR PROVIDING MEDICAL SAVINGS ACCOUNTS AND HIGH DEDUCTIBLE HEALTH PLANS TO HAWAII'S BUSINESSES UNDER HAWAII'S PREPAID HEALTH CARE ACT," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1574) recommending that H.C.R. No. 93, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 93, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A STUDY OF THE FEASIBILITY OF MEDICAL SAVINGS ACCOUNTS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1575) recommending that H.C.R. No. 151, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 151, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF AN INTERIM TASK FORCE ON UNIVERSAL HEALTH CARE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1576) recommending that H.R. No. 127, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 127, HD 1, entitled: "HOUSE RESOLUTION REQUESTING ESTABLISHMENT OF A TASK FORCE TO EXAMINE STATE REGULATION OF PROVIDERS OF DEATH CARE SERVICES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1577) recommending that H.C.R. No. 162, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 162, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING ESTABLISHMENT OF A TASK FORCE TO EXAMINE STATE REGULATION OF PROVIDERS OF DEATH CARE SERVICES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1578) recommending that H.C.R. No. 165, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 165, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE KALAUPAPA SETTLEMENT OPERATIONS AND EXPENDITURES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1579) recommending that H.R. No. 136, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 136, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE CONSUMER ADVOCATE TO FORM AN AD HOC ADVISORY GROUP TO INVESTIGATE AND MAKE RECOMMENDATIONS REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF STANDARD OFFER CONTRACTS AND STANDARDIZED INTERCONNECTION AGREEMENTS TO REDUCE THE APPROVAL PROCESS TIME FOR THE IMPLEMENTATION OF RENEWABLE ENERGY SYSTEMS; AND FACILITATE THE PURCHASE OF ELECTRICITY FROM RENEWABLE ENERGY PRODUCERS IN HAWAII," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1580) recommending that H.C.R. No. 172, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 172, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CONSUMER ADVOCATE TO FORM AN AD HOC ADVISORY GROUP TO INVESTIGATE AND MAKE RECOMMENDATIONS REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF STANDARD OFFER CONTRACTS AND STANDARDIZED INTERCONNECTION AGREEMENTS TO REDUCE THE APPROVAL PROCESS TIME FOR THE IMPLEMENTATION OF RENEWABLE ENERGY SYSTEMS; AND FACILITATE THE PURCHASE OF ELECTRICITY FROM RENEWABLE ENERGY PRODUCERS IN HAWAII," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1581) recommending that H.C.R. No. 179, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 179, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO IMPLEMENT AN EPIDEMIC PREVENTION PROGRAM TO PREVENT THE POTENTIAL ENTRY OF COMMUNICABLE DISEASE VECTORS THAT MAY CAUSE AN EPIDEMIC IN HAWAII," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1582) recommending that H.C.R. No. 182, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 182, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENTS OF LABOR AND INDUSTRIAL RELATIONS AND HEALTH TO CONDUCT A STUDY RELATING TO THE OCCUPATIONAL AND HEALTH RISKS OF COUNTY REFUSE COLLECTION WORKERS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1583) recommending that H.R. No. 147, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 147, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY TO CONDUCT AN ANALYSIS OF ITS CURRENT EFFORTS TO DETERMINE TO WHAT EXTENT IT IS UTILIZING PROMISING ENERGY EFFICIENCY AND RENEWABLE ENERGY TECHNOLOGIES IN ITS DEVELOPMENT DISTRICTS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1584) recommending that H.C.R. No. 183, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 183, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY TO CONDUCT AN ANALYSIS OF ITS CURRENT EFFORTS TO DETERMINE TO WHAT EXTENT IT IS UTILIZING PROMISING ENERGY EFFICIENCY AND RENEWABLE ENERGY TECHNOLOGIES IN ITS DEVELOPMENT DISTRICTS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1585) recommending that H.R. No. 149, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 149, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF

EDUCATION TO IMPLEMENT CAREER PATHWAYS AS A PART OF A SCHOOL REFORM MODEL TO INCLUDE THE REDESIGN OF CAREER AND TECHNICAL EDUCATION THAT IS REFLECTIVE OF ECONOMIC DEVELOPMENT INITIATIVES AND PRIORITIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1586) recommending that H.C.R. No. 185, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 185, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF EDUCATION TO IMPLEMENT CAREER PATHWAYS AS A PART OF A SCHOOL REFORM MODEL TO INCLUDE THE REDESIGN OF CAREER AND TECHNICAL EDUCATION THAT IS REFLECTIVE OF ECONOMIC DEVELOPMENT INITIATIVES AND PRIORITIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1587) recommending that H.R. No. 150, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 150, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENTER INTO AN AGREEMENT WITH THEODORA MALLICK FOR THE CONSTRUCTION OF THE PAHOA SCHOOL GYMNASIUM," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1588) recommending that H.C.R. No. 186, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 186, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENTER INTO AN AGREEMENT WITH THEODORA MALLICK FOR THE CONSTRUCTION OF THE PAHOA SCHOOL GYMNASIUM," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented two reports:

(Stand. Com. Rep. No. 1589) recommending that H.R. No. 152, be adopted; and

(Stand. Com. Rep. No. 1590) recommending that H.C.R. No. 188, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 152 and H.C.R. No. 188, be adopted, seconded by Representative Lee.

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

"Madame Speaker, on page 9, H.R. No. 152, the flyer stops. I would also just like to briefly explain what flyer stops are for

those in the audience and in the House who might not know what they are. Because it is an important issue for transportation on Oahu.

"Flyer stops are freeway bus stations that allow passengers to board busses in areas adjacent to the freeway. They have been suggested as a possible solution for our growing traffic concerns. I am really happy that this is coming forward and hopefully it will afford us a solution in the future. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 152, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO STUDY THE FEASIBILITY OF ESTABLISHING FLYER STOPS WITHIN THE RIGHT-OF-WAY OF OAHU'S H-2 FREEWAY AND CONNECTING TO PARK-AND-RIDE FACILITIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 188, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO STUDY THE FEASIBILITY OF ESTABLISHING FLYER STOPS WITHIN THE RIGHT-OF-WAY OF OAHU'S H-2 FREEWAY AND CONNECTING TO PARK-AND-RIDE FACILITIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1591) recommending that H.C.R. No. 197, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 197, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE CITY AND COUNTY OF HONOLULU TO DETERMINE THE FEASIBILITY OF CONSTRUCTING A MULTI-USE PATH ALONG THE WAIANAE COAST FROM MAILI BEACH PARK TO MAKAHA SURFING BEACH," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1592) recommending that H.C.R. No. 201, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 201, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN INVESTIGATION ON THE STATE AND COUNTIES' LAND USE POLICIES WITH REGARD TO SOLID WASTE MANAGEMENT PROGRAMS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1593) recommending that H.R. No. 175, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 175, HD 1, entitled: "HOUSE RESOLUTION CONCERNING CERTAIN PUBLIC LEASES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1594) recommending that H.C.R. No. 223, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 223, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION CONCERNING CERTAIN PUBLIC LEASES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1595) recommending that H.C.R. No. 94, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 94, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT TO SUBMIT REPORTS ON EXEMPT EMPLOYEES AS REQUIRED BY ACT 253, SESSION LAWS OF HAWAII 2000," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1596) recommending that H.C.R. No. 95, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 95, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE EMPLOYEES' RETIREMENT SYSTEM TO STUDY THE FEASIBILITY OF A DEFERRED RETIREMENT OPTION PLAN BENEFIT FOR FIRE FIGHTERS AND POLICE OFFICERS," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1597) recommending that H.C.R. No. 97, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 97, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE EMPLOYEES' RETIREMENT SYSTEM TO CONDUCT A STUDY ON THE FEASIBILITY OF A HYBRID RETIREMENT PLAN," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1598) recommending that H.C.R. No. 109, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 109, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE EMPLOYEES' RETIREMENT SYSTEM TO REVIEW ITS INVESTMENT PRACTICES, DETERMINE WHETHER ANY INVESTMENTS ARE BEING MADE WITH COMPANIES BASED IN COUNTRIES THAT SUPPORT TERRORISM, AND RETHINK ITS INVESTMENT POLICIES REGARDING THESE COMPANIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1599) recommending that H.R. No. 102, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 102, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENTER INTO A REAL ESTATE TRANSACTION AGREEMENT FOR A NEW ELEMENTARY SCHOOL IN KAHULUI, MAUI," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1600) recommending that H.C.R. No. 117, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 117, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENTER INTO A REAL ESTATE TRANSACTION AGREEMENT FOR A NEW ELEMENTARY SCHOOL IN KAHULUI, MAUI," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1601) recommending that H.R. No. 103, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 103, entitled: "HOUSE RESOLUTION REQUESTING THAT THE STATE OF HAWAII PURSUE A WIRELESS E911 INTERIM WORKING GROUP," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1602) recommending that H.C.R. No. 120, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 120, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THAT THE STATE OF HAWAII PURSUE A WIRELESS E911 INTERIM WORKING GROUP," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1603) recommending that H.R. No. 111, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 111, entitled: "HOUSE RESOLUTION REQUESTING AN AUDIT OF THE HAWAII STATE JUDICIARY, DIVISION OF DRIVER EDUCATION," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1604) recommending that H.C.R. No. 134, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 134, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN AUDIT OF THE HAWAII STATE JUDICIARY, DIVISION OF DRIVER EDUCATION," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1605) recommending that H.R. No. 112, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 112, entitled: "HOUSE RESOLUTION REQUESTING DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A TASK FORCE TO DEVELOP AN EMERGENCY ACTION PLAN TO ASSIST AND EMPOWER THE WAI'ANA'E COMMUNITY AND OTHER COMMUNITIES AROUND THE STATE TO FOSTER GREATER SELF-SUFFICIENCY," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1606) recommending that H.C.R. No. 135, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 135, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM TO ESTABLISH A TASK FORCE TO DEVELOP AN EMERGENCY ACTION PLAN TO ASSIST AND EMPOWER THE WAI'ANA'E COMMUNITY AND OTHER COMMUNITIES AROUND THE STATE TO FOSTER GREATER SELF-SUFFICIENCY," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1607) recommending that H.R. No. 113, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 113, HD 1, entitled: "HOUSE RESOLUTION RELATING TO RECOMMENDATIONS FOR PUBLIC ASSISTANCE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1608) recommending that H.C.R. No. 137, HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 137, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION RELATING TO RECOMMENDATIONS FOR PUBLIC ASSISTANCE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1609) recommending that H.R. No. 176, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 176, entitled: "HOUSE RESOLUTION REQUESTING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO TAKE SPECIFIC ACTIONS TO HELP THE AIRLINES SERVING THE STATE OF HAWAII IN THE EVENT OF A WAR," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1610) recommending that H.C.R. No. 225, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 225, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO TAKE SPECIFIC ACTIONS TO HELP THE AIRLINES SERVING THE STATE OF HAWAII IN THE EVENT OF A WAR," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1611) recommending that H.R. No. 177, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 177, entitled: "HOUSE RESOLUTION URGING THE CITY AND COUNTY OF HONOLULU TO EXPAND ITS BRUNCH ON THE BEACH AND SUNSET ON THE BEACH PROGRAM TO ACTIVELY WELCOME AND INCLUDE THE PARTICIPATION OF MILITARY FAMILIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1612) recommending that H.C.R. No. 226, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 226, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE CITY AND COUNTY OF HONOLULU TO EXPAND ITS BRUNCH ON THE BEACH AND SUNSET ON THE BEACH PROGRAM TO ACTIVELY WELCOME AND INCLUDE THE PARTICIPATION OF MILITARY FAMILIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1613) recommending that H.R. No. 178, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 178, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO DEVELOP AND IMPLEMENT A PROGRAM TO PROVIDE MILITARY FAMILIES STATIONED IN HAWAII WITH AN AFFORDABLE OPPORTUNITY TO SEE THE STATE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1614) recommending that H.C.R. No. 227, as amended in HD 1, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 227, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO DEVELOP AND IMPLEMENT A PROGRAM TO PROVIDE MILITARY FAMILIES STATIONED IN HAWAII WITH AN AFFORDABLE OPPORTUNITY TO SEE THE STATE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented four reports:

(Stand. Com. Rep. No. 1615) recommending that H.R. No. 179, as amended in HD 1, be adopted; and

(Stand. Com. Rep. No. 1616) recommending that H.C.R. No. 228, as amended in HD 1, be adopted.

(Stand. Com. Rep. No. 1617) recommending that H.R. No. 180, as amended in HD 1, be adopted; and

(Stand. Com. Rep. No. 1618) recommending that H.C.R. No. 229, as amended in HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 179, HD 1; H.C.R. No. 228, HD 1; H.R. No. 180, HD 1; and H.C.R. No. 229, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. Actually, this is to Standing Committee Report Nos. 1615 and 1616, and then 1617 and 1618. I rise in support of all of these. I just want to point out that they have in their wordage that armed conflict looms closer. And urges people to take some action to help our military dependents, students, and military families. And I commend those. I just want to point out that it's even now, more urgent than ever because we are in armed conflict. So thank you for these resolutions."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 179, HD 1, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO IMPLEMENT PROGRAMS TO DEMONSTRATE TO THE CHILDREN OF ARMED SERVICES MEMBERS THAT THE PEOPLE OF HAWAII VALUE AND APPRECIATE THE SACRIFICES OF THE ARMED SERVICES MEMBER AND THEIR FAMILIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

H.C.R. No. 228, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO IMPLEMENT PROGRAMS TO DEMONSTRATE TO THE CHILDREN OF ARMED SERVICES MEMBERS THAT THE PEOPLE OF HAWAII VALUE AND APPRECIATE THE SACRIFICES OF THE ARMED SERVICES MEMBER AND THEIR FAMILIES," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

H.R. No. 180, HD 1, entitled: "HOUSE RESOLUTION URGING THE HAWAII TOURISM AUTHORITY, IN

CONJUNCTION WITH THE AIRLINE AND HOTEL INDUSTRY, TO IMPLEMENT A PROGRAM WHICH GIVES REDUCED PRICES FOR AIRFARE AND HOTEL ACCOMMODATIONS TO VISITING RELATIVES AND FAMILIES OF MILITARY PERSONNEL TO SHOW OUR ALOHA FOR THEIR SACRIFICE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 229, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE HAWAII TOURISM AUTHORITY, IN CONJUNCTION WITH THE AIRLINE AND HOTEL INDUSTRY, TO IMPLEMENT A PROGRAM WHICH GIVES REDUCED PRICES FOR AIRFARE AND HOTEL ACCOMMODATIONS TO VISITING RELATIVES AND FAMILIES OF MILITARY PERSONNEL TO SHOW OUR ALOHA FOR THEIR SACRIFICE," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1619) recommending that H.R. No. 181, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.R. No. 181, entitled: "HOUSE RESOLUTION URGING THE FEDERAL GOVERNMENT TO CONSIDER THE LIMITED RESOURCES OF HAWAII CONTRACTORS IN ITS PROCUREMENT PROCEDURES FOR GOODS, SERVICES, AND CONSTRUCTION IN HAWAII," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1620) recommending that H.C.R. No. 230, be adopted.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 230, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE FEDERAL GOVERNMENT TO CONSIDER THE LIMITED RESOURCES OF HAWAII CONTRACTORS IN ITS PROCUREMENT PROCEDURES FOR GOODS, SERVICES, AND CONSTRUCTION IN HAWAII," was adopted, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Takamine, for the Committee on Finance presented two reports:

(Stand. Com. Rep. No. 1621) recommending that H.R. No. 118, HD 1, be adopted; and

(Stand. Com. Rep. No. 1622) recommending that H.C.R. No. 147, HD 1, be adopted.

Representative Saiki moved that the reports of the Committee be adopted and H.R. No. 118, HD 1, and H.C.R. No. 147, HD 1, be adopted, seconded by Representative Lee.

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

"Thank you, Madame Speaker. I rise in opposition to Standing Committee Report Nos. 1621 and 1622. Madame Speaker, these House resolutions urge the Board of Education and the Superintendent of Education to consider declining any

further participation in the "No Child Left Behind Act" of 2001, and return all federal funds condition on the implementation of the Act by the State of Hawaii, unless Congress fully funds the Act.

"My concern is that any kind of pulling out of something like this is premature. There are far too many good things in this "No Child Left Behind Act" to turn it down. I understand that the concern is that the increased funding also requires increased accountability. That the federal government is going to be giving us more money, but it is not going to do it without any proven results. And the concern is that we might not be able to meet the benchmarks. We might not be able to show that our schools are better. But Madame Speaker, I'm not worried about that because I've been in our public schools, and have gone down there to read to students and been there to pick up my son, and sat in the classes. Our students are young and capable and bright. They can do well. And I believe that we can benefit both financially, as a State, by participating in the "No Child Left Behind Act", and we can actually improve our schools, because the motivation to have that funding continue to be available will cause us to do whatever it takes to improve our schools.

"If I could briefly, Madame Speaker, just remind our colleagues, what's at stake here. We're talking about 185,860 Hawaii public school children, in 255 schools. And we're also talking about nearly 11,000 Hawaii teachers. The increases in federal funding to Hawaii would bring it to more than \$194 million. That's \$32 million more than last year, and that's a 46.4% increase over 2002. We're not talking about an inconsequential amount of money. We're talking about real dollars. Dollars that are badly needed and could help improve our schools.

"We need not fear the requirements that the feds have of accountability. We have proven our schools are really showing quantitatively that we believe in excellence and we can achieve excellence. We can do those things. So I believe we can participate in the "No Child Left Behind Act". We can benefit from the added federal funding, and ultimately we will show that the decision we make to participate will result in better schools. And years from now we can look back and say, "I'm glad we weren't fearful of those benchmarks. I'm glad we participated. Look how much better our schools are because we had a little bit of courage. We rolled up our sleeves and worked together." So for those reasons, Madame Speaker, I oppose these particular resolutions, and strongly support our State to continue to participate in the "No Child Left Behind Act of 2001." Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. In opposition to the same two measures. I just would like to say that, you know, what are we teaching our children? We're teaching our children, it's too hard so don't try. Just quit now when we give you the assignment. Don't even try to go home and try to work on the homework. It's just too hard. Let's give an F and just quit.

"So I don't think we should support these Madame Speaker. I rose a little slowly. I wanted to rise on something on a previous page. I can wait until after this discussion. I just want to make some comments on two other resolutions on this page, and two on the previous page.

The Chair responded, stating:

"We'll recognize you after this discussion. Thank you."

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

"Thank you, Madame Speaker. In support of these two resolutions. I think the opposition to these resolutions make some sense on the surface, but the problem is that the "No Child Left Behind Act" sounds like it is just setting some pretty reasonable standards for our schools to strive for. And that those standards have some direct relationship to actually how our schools are performing and how our kids are performing in those schools. But that's the biggest problem. There's a disconnect between what the "No Child Left Behind Act" is actually requiring of our schools, and what actually constitutes success in our schools. And I just want to give two little examples.

"First, I don't know how many of you are aware, we have to show adequate yearly progress, that's the term, in any number of demographic cohorts. So, you take little demographic groups, and each group of those kids, in each school, has to show adequate statistical progress from year to year.

"So if test scores are shooting up overall, but for instance, the special ed kids in that particular school don't show adequate yearly progress for, I believe it is, two years in a row. Or if a particular demographic group, even if they recently immigrated, don't show adequate yearly progress. If there is any lack of adequate yearly progress in any of those groups, no matter what the aggregate data show, no matter how the overall performance of the school is going, the school is a failure. The school just fails. It could have the best test scores in the State. It could have the best test scores in the nation. But if any one of those cohorts is not showing adequate yearly progress, your school's a failure.

"Another example, we were visiting Roosevelt High School, and I think that most of us would agree that Roosevelt has been blessed over a number years with great test scores, good attendance rates, low violence rates, good graduation rates, a lot of great kids as many of schools show. I was talking to the principal and she has a relatively low absentee rate. But, the standard is 95% attendance. And if you're at 94% attendance, it doesn't matter. Again, it doesn't matter that if those kids who are they are doing excellent work. It doesn't matter what reason the kids aren't showing up. If you are at 94% attendance, your school's a failure. And I think that the "No Child Left Behind Act" is missing the boat because it's not actually paying attention to those things that matter from an educational perspective.

"And as we have these kinds of discussion, and I think it's very valuable that we do, we have to talk to educators about what they think. And I would encourage everybody to talk to principals and teachers and even students and other. I'm not asking people to talk to HSTA. I'm just saying to walk into any school and say, "Do you think that NCLB makes sense? Is it measuring the right things? Is it too onerous? Is it thought out well?" And I think what you're going to find if you speak to real educators, people who are on the front line, is that it is not measuring the right stuff. And it's going to label a lot of excellent schools in our community as failing. And I think that's the wrong way to go. Thank you."

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

"Thank you, Madame Speaker. I rise in opposition to Standing Committee Report No. 1621 and 1622, and I'd like the words of the Representative from Enchanted Lake inserted as my own," and the Chair "so ordered."

Representative Blundell continued, stating:

"And I would just like to add that I think that we as the adults don't set these high standards for our children, the children never will achieve the high standards. Thank you, Madame Speaker."

At this time, the Chair stated:

"Before Representative Meyer proceeds, we had a lot of discussion about a week ago, if you want to also incorporate by reference what was discussed a week ago, you can also do that. You are free to do that."

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

"Thank you, Madame Speaker. I rise in opposition to these measure. Nobody said that the "No Child Left Behind Act" is a perfect bill. But for us to pass a resolution like this and tell them that we don't want to follow any of the rules and we won't take any of your money. We don't want it, keep it. It's just ludicrous in this present financial crisis that we are in. The DOE is all the time talking about they don't have enough money and they need more money. We're not in a position to do that. Considering that we have a Congressional delegation made up of all Democrats, I would think it would be more appropriate to pass a resolution that would encourage them to make possibly some more carefully thought out amendments to the existing "No Child Left Behind" law because all of us want to see our children strive to high goals. And that's what this does. There seems to be a great sensitivity about the term 'failing schools' and yet there doesn't seem to be very much sensitivity to having children labeled as special ed children. I don't understand that.

"If the school does not have regular increases in test scores, we have to measure them somewhere and there shouldn't be that sensitivity to failing schools. That should be the challenge that we're going to. We're going to do better. I think that we can. It seems to me that this resolution is designed a little bit for shock purposes. To say, "We think that this is impossible, so keep your money. We don't want it."

"Also Madame Speaker, I would like to register a no vote for our entire caucus present on this particular measure. Thank you," and the Chair "so ordered."

The Chair recognized Representative Takai, stating:

"Representative Takai, it's not going to be twenty minutes is it?"

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

"Uh, no. But I would like to take your suggestion and include by reference, take the words that I spoke on April 2nd and insert it as reference to today's discussion," and the Chair "so ordered."

Representative Takai continued, stating:

"But I would also like to mention a few things. First of all, I understand what the other side of the aisle has said regarding goals. And I think that they really need to look at the law. Because in fact, what we are telling these schools is what the Majority Whip has already said. We are telling these schools, and I'll give you an example Madame Speaker, for you. We're telling you as a school, if you were a school, to dunk a basketball into the basket, and you've got to do it by the end of today. Impossible today. Impossible tomorrow. Impossible

next year. I think it's going to be impossible for you to dunk that basketball into the net, forever.

"And I think the point here is that the goals set by the "No Child Left Behind Act" are in fact, impossible goals. And like I said a couple of weeks ago, we're going to have 90% of our schools fail across the nation. I did want to mention and cite and reference, an article written in [Stateline.org](http://Stateline.org). It says, "Lawmakers Balk at Cost of Fed Education Law." And I quote:

Lawmakers in New Hampshire are considering measures that would let their states walk away from footing the bill for the program Bush pushed through Congress which is commonly known as No Child Left Behind.

New Hampshire is not alone in worrying about the No Child Left Behind price tag. Iowa, New Jersey, North Dakota, Tennessee, Washington, Hawaii and among the states that have resolutions calling for more federal funding to help implement the new testing and learning standards required by the federal law.

"And it quotes the New Hampshire Representative, who by the way is a Republican, and it says that he wants to make sure that neither the state, nor the school districts have to spend their own money to implement the 2001 law which requires more student testing and allows parents to pull students out of low performing schools.

"And his bill, by the way, Madame Speaker, says that there shall be no general fund money spent in the State of New Hampshire for the provisions of "No Child Left Behind."

"I would also like to read from a principal who has more than 30 years of experience in our school system, and she writes:

I like that Congress enacted the NCLB, and wants all children to learn in safe schools under the tutelage under qualified teachers and challenged by rigorous curriculum that pushes them to reach high levels of academic excellence. However, I disagree with the notion that NCLB will get us there. NCLB is punitive in nature. It distracts our attention from educating children and focuses it instead on meeting federal mandates.

NCLB has become our master, and compliance our mantra. When the "No Child Left Behind Act" was signed into law and touted as a bipartisan expectation that all children will succeed, many of my colleagues and I held our breath. We wondered what would happen to the constitutional position that education is a state right and not a federal responsibility. We wondered how this federal legislation would impact our schools and help our children. We wondered if this law would misdirect human and fiscal resources rather than support learning.

As the details of the implementation rolled out, educators across the nation recognized NCLB as a flawed attempt to raise performance of all children without leveling the playing field. After more than a year of states scrambling to comply with the mandates, we are beginning to see the negative impacts of NCLB on our students, teachers, families, and education systems across the nation. Resources and efforts that were once devoted to supporting children in schools have been consumed by, [what she calls] the 'administrivia' of meeting the mandates of NCLB. Time, energy and funding spent on test preparation and testing have detracted from the efforts to improve student achieve. Because resources are limited, teachers and administrators are forced to engage in conversations about whether to preserve rich and balanced curriculum, or focus first on what is tested.



Options such as moving children from needs improvement, to corrective action schools, to non-status schools have not resulted in a mass exodus of children from one school or another. The mandates of NCLB simply will not work. I've never been more concerned about the state of public education than I am today. I urge you ..."

Representative Takumi rose to yield his time, and the Chair "so ordered."

Representative Takai continued, stating:

"Thank you.

I urge you to consider taking action to remove the public schools of Hawaii from under the strain of this yoke. There is much work to be done and our limited resources need to be invested in the children.

"Our colleagues on the other side of the aisle point out that NCLB was a product of a bipartisan effort. Today I say that in legislatures throughout this nation, NCLB is an effort in bipartisan disgust. I urge our colleagues who don't support this resolution to speak to their colleagues in other states because this is not a partisan issue.

"And like I said two weeks ago, I urge all my colleagues to visit the school in your districts. I urge you to talk to your principals. And I urge you to understand the details of this unfunded federal mandate. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I speak in strong opposition. The official position of the DOE on this matter is that NCLB is a good thing. However, there are a lot of arguments that can be made by a lot of people who are concerned, including a lot of principals who will be affected by the so-called failure that they may incur in the future if they are not fully complied with the law as is.

"My concern, Madame Speaker, is that we are actually discussing the wrong thing. The issue in the resolution is not whether NCLB is a good thing or a bad thing. I approach it in a different way. I see it as sending a strong message. And that strong message seems to be the wrong one because it is a negative one. That's what I pick up on this. It says to our children and the people out there, that we as a Body have taken a look at legislation that was put forth by another body and we say it is too difficult. Let's pull out of the game and you can take all your money back. Well the money is something that won't be missed by those schools that are not currently participating in Title I.

"If someone were to take this resolution seriously and implement and adopt what it says, what would happen on the Leeward side? The Leeward side meaning from Pearl City all the way down to the coast, is that we would lose a lot of funding that we currently have. Title I amounts to about \$35 million. And you know, that's not all the money we're going to lose. We're going to lose all the money linked to Title I. Title II, III, IV, and VI. That amounts to a total of about \$66.7 million. It is irresponsible to not think about that when we're trying to put forth a strong message. And I do appreciate the message that this resolution is trying to put out there. The message, I believe is that, "Hey, this law is flawed because it is destined to put our schools in a position where we will certainly fail."

I also believe that, and I do believe that, and I am happy that there are a few states that have put forth resolution that say the same thing. But in this case, I don't us to participate because I don't want to be included in that group who are sending a strong message, but at the same time, are sending a wrong message. One of a negative thing to say that, "Don't go and step up to the plate. Do not participate because it is too hard. I disagree with my colleague from Pearl City when he says that this is impossible. I don't think it is impossible for everyone. I don't think it is possible for some. But I know what is truly possible is that we can, and we can affect this legislation in a way to change it so that as more data comes in, you know, after three years of this, more data is coming in.

"And it is going to the people who will help to make a decision in the Congress, and they will change it. I want that message to go. I want a message like the other resolution that we passed that said that we want more funding. "You want us to comply with this wonderful law, give us more funding." That doesn't say we can't do it. It says, "We can do it. Give us more money and we will. Be realistic. You give us a mandate, you make sure that we are funded to comply with it so that we can achieve the goals that you set for us. That, in any way, does not, even say anything negative as this one does. The negative message is very, very important for us to look at. Because look at what's going to happen. It's going to affect not only us as a Body, but it is going to affect the people that we represent. We are leaders. As leaders, we cannot, I cannot ..."

Representative Abinsay rose to yield his time, and the Chair "so ordered."

Representative Sonson continued, stating:

"Thank you very much, Representative. I cannot be a leader and say to the people I represent, "Give up. It's too hard." I don't think that's what we want. Then again, Madame Speaker, I really appreciate the efforts of the proponent of this bill. I believe that I understand their side. And when speeches include, "Check with your schools." Well I took that challenge literally, and I did check with all my schools in Waipahu. They are very dependant on Title I money and they are concerned about achieving a perfect score on these things to fully comply with what's in NCLB. But you know what? They are not giving up. They would rather participate than to give up anything if that's the case.

"There are a couple of schools in Waipahu, Waikele and Kaleiopuu. I believe there were two testimonies from those particular schools that said, "Yes, we should support this resolution." However, those two are not even included in the Title I program. That is why, although there are people in my area supporting this, it is because they are not a part of it. But next year they will be. All but five schools in the Leeward side will be in Title I next year. Thank you, Madame Speaker."

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

"Thank you, Madame Speaker. I just have a slight rebuttal for the Representative from Pearl City, in opposition, as the Minority Leader has already stated. As a teacher, I know that if someone told me that I couldn't dunk that ball, it would be very problem solving to see how could be do it. How could be get around to doing it.

"And I was sitting here and I thought, nobody said that I couldn't use a step ladder. Nobody said that I couldn't get some other thing to stand on. So it's not an impossible situation, and that's what we have to teach our children. If you have a problem, then we need to think about what we can do to get

around it, and have a solution. And that's my opposition. Thank you."

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

"Thank you, Madame Speaker. I rise in support of this resolution. I think we can all agree that there is no question that our students, teachers and administrators are very smart and very capable of succeeding. And there is no question that the "No Child Left Behind Act" is generally good for our schools to strive for. But I strongly believe that there must be some room for adaptation to the needs of our local communities, as other states have shown some need for adaptation for their local communities. So I feel that this resolution sends a very strong message that changes are necessary. That this is not perfect and this is not a one size fits all Act.

"As a State Representative, I feel it is incumbent on me to share with my colleagues, some the feelings from some of the principals from schools from my district because they are the ones who have to deal with implementing this Act. And they have to deal with it on a day-to-day basis. So I would like to share a few words from a principal from in my district who is a principal of a Title I school on the Leeward Coast. He says:

I find it impossible for schools to meet the adequate yearly progress for 100% of the students. We have populations of special education students who will not meet the standards given their severe handicapping conditions. And we also have immigrants who arrived during their testing year who can hardly speak the language. As principal, I urge you to pass these resolutions.

"Another principal of a school in my district, also another designated failing school, she states that:

If the intent of "No Child Left Behind" were truly to increase the performance and capabilities of students to score well on these state exams, there should have been more than an accountability system and a test. There should be conditions implanted in each classroom that ensures effective learning and teaching. For instance, a ratio of 27 to 1 for grades three through twelve is ludicrous given the accountability plan. The ratio of 22 to 1 in Hawaii for grades kindergarten through third grade, given the actual figures in the school is a joke. Students-teacher ratio is the most basic necessity of effective teaching and learning, but it remains a constant struggle to improve this, even at our State level.

"I would like to share some words from one last principal in my district. She mentioned that, sometimes the "No Child Left Behind" mandates are compared to the Felix Decree mandates. And she says that with Felix:

Although it was a mandate, they wanted us to succeed. They asked us to tighten up screws. Replace and repair parts if necessary, and ultimately assure the students who have the greatest needs benefit from our efforts. I cannot and do not feel the same with "No Child Left Behind." "No Child Left Behind" sets us up for failure. Cut off scores for the HCPS and SAT9 assessments, as projected are unreachable when each subcategory of students must all meet them at the same time.

"In bold writing she states:

Research has proven that all students, except the severely disabled, can meet goals. But they will not meet them at the same time. Have the people who set the benchmarks and timelines prepared themselves for 90% of the schools failing

at the same time? And when this mass failure occurs, where will they find the people to replace those presently at the schools?

"She cared enough about these resolutions to write three pages of very strong words in support and I think we should all listen to our principals and our teachers and the people who are actually faced with the task of implementing the "No Child Left Behind." Thank you."

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

"Thank you, Madame Speaker. In opposition. Madame Speaker, I just want to put this into perspective. It seems like we're making this "No Child Left Behind" to be an extraordinary Act that requires extraordinary efforts.

Right now we test grades 3, 5, 8, and 10, I believe, using the SAT9. Grades 3, 5, 8, and 10. NCLB, requires us to test grades 3 through 8, which means we have to add grades 4, 6, and 7. That's the requirement. Now, the importance of doing this, to give you a perspective, is because right now, when we look at these grades, they come out. You know, when I look at my 3rd grader, the next time I see a test on him is 5th grade. I probably forgot what happened to my 3rd grader. And that's the problem, Madame Speaker.

"What we're doing now, and I forgot the statistical term. But we're looking at 3rd graders this year, and then next year the 3rd grade test comes out and we're comparing the 3rd graders. And you know, we dropped them. It's not the same kids. It's a remarkable way of looking at data. This is crazy. We need to look at the 3rd graders and look at how they do in 4th grade, in 5th grade, and 6th. And what you want to see is, Madame Speaker, is we see maybe some gradual improvement on their raw score, hopefully. And perhaps maybe on their percentage score. And the only way you can do that, Madame Speaker, is by testing every year. Otherwise you're in this void here and you're hoping that the kids are doing fine.

"Now, Madame Speaker, there is that we do assessments. Teachers do assessments all the time. But we also know that there is lots of grade inflation. The best way to determine whether a kid knows anything, Madame Speaker, is by testing. And some people have spoken a little bit about ... I don't know. There's some derision multiple choice tests. In fact, Madame Speaker, it is widely recognized as an efficient and pretty good estimate of the child's ability. Pretty good. I would say it actually predicts 70% to 80% of the kids taking a multiple choice test, I can predict that that's a pretty good indicator of how much they know. Whether they're at the 90%, 80%, 70% level. It's a great predictor. First tool. And then you go after the ones who didn't do well and you sit down with them and you ask them questions. And you'll find out whether the multiple choice test was good or bad.

"I want to also emphasize one more thing. I know the SAT9 has many subject areas. But in fact, "No Child Left Behind" just requires two: reading and mathematics. Reading and mathematics. And I would tell you that I think that it's a very reasonable test to require our children to at least be able to read, and to add and subtract. There's not a lot of higher math on this. It is math, it is addition, subtraction, maybe some fractions. And I don't think they have any algebra on there.

"So, what does this mean? What is this "No Child Left Behind"? Now, I was trying to look for another copy of the "No Child Left Behind" but if I remember correctly, what "No Child Left Behind" requires, is that if you do not have the funds, depending on how you use your ... I think the example in Hawaii was somewhere around \$90 or \$100 million, we're

supposed to use that money, what they want us to use that money for is to redirect that money, or no matter how you're doing it, redirect it to testing, redirect it to tutoring, redirect it to additional programs so that we do not leave any child behind.

"I really sense this aversion to meeting this law, as though it's okay to have 5%, 10%, 15% of our children left behind. I think an important thing, Madame Speaker, is with this requirement, now it becomes much more wider knowledge, that some schools have only 87% of the kids showing up. That is a problem and we have to address that. And maybe this "No Child Left Behind" doesn't specifically address that, but it certainly points out the problem, and we have to address that. And see if our system can address the problem and solve that.

"So finally, Madame Speaker, to close, and by the way if I may, include by reference my previous remarks from the Second Reading," and the Chair "so ordered." (By reference only.)

"This is a great test. A great test for our system. I want to emphasize that. If we fail this test, or schools fail this test, broad based, then maybe something's wrong with the test. Maybe something is definitely wrong with the test and it might be this huge unfunded mandate.

"But if some school systems are doing well, or at least meeting adequate yearly progress, then maybe there's something we can learn from them. If the only difference is funding, then we have the answer. But if there are some other things we can do, before worrying about "no mo 'nuf money, no mo 'nuf money," then I think we need to look at that first in light of our financial situation. For those reasons, Madame Speaker, I'm opposed to this. I think we need to step up and do the right thing. Mahalo."

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

"Thank you, Madame Speaker. With all due respect to the Chair of Higher Ed, and his wisdom, his research, his many hours of work, I still must stand in opposition.

"In my district, Kauluwela Elementary School is one of the schools that has produced results so it can be done. My feelings are that right now, not only is it premature to be rejecting funds for NCLB, but more importantly it is damaging to the morale of the teacher, the staff, all of those who have worked so hard. Their efforts, their hopes, that this will be a measure that will help them improve scores.

"And so my feeling it's not only, it may be growing pains. Anytime you implement something new, you're going to get growing pains. And it puts us in the position on maybe the optimistic side to maybe push for and maybe explore options, alternative options that will help us dunk that ball. But most importantly, my feeling and why I am in opposition to this, along with the Representative from Mililani, is that when we lower the ceiling of our expectations for our students, we are creating the lower results. Push and argue for how mediocre you are, and mediocre you will be.

"And so my feeling is when we teach our children not to throw in the towel, but rather persevere, to strive, to accomplish, to go beyond the ceiling, these hard standards that some would say we cannot achieve. This is what we must set the example for. And I think as we explore alternative options we can get there. This legislation I feel, says to give up. And we must not."

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

"Madame Speaker, I have to stand in opposition, after hearing the words from the Representative from Waipahu. Madame Speaker, I serve in a community where Title I money is depended on. I serve a community where 65% of our teachers have less than three years experience. In other words, we are the training grounds for teachers. I serve a community where 50% of our 6th graders will not graduate from high school. I've been listening to the proponents who say, "Listen to the principals and the teachers." Quite frankly, I have listened to the principals and the teachers. But 50% of all our kids are not graduating. All the studies that I've ever read say raise the standards. Challenge the kids. Free the teachers and get the community involved. These are the kinds of actions that we need. Things like what the Majority who came on the news and said to give power to the community, such as charter schools. Not 'Mickey Mouse' powers, like only policy. But fiscal powers too. Give them the purse. Let them hire and fire. Let the village raise their children.

"Madame Speaker, I agree with the opponents, that this is not the time to tell our children to quit. This is the time when we need to look at our kids. They talk about standard tests. Teachers tell me, "You can't teach our kids to test." In other words, we're only going to be teaching to the test. But you tell those Ivy League colleges when our kids are trying to get into college and they cannot pass the SAT test. They cannot even get into the level where they can enter into Leeward Community College and take a 100-level math or English. You tell that kid, you tell those children that we're going to quit?

"Madame Speaker, I've been sitting here patiently. And I've sat through some and heard some of the arguments. This is not the time to quit. This is not the time to tell our children that if you have a challenge, you go hang your head Tom Dooley and go 'pity-potty'. This is a time to rise above and face the challenges. We need to raise the standards, challenge the kids, free the teachers, get the community involved. And guess what? We need to challenge those administrators. We need to challenge those teachers. And that's what we need."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.R. No. 118, HD 1, entitled: "HOUSE RESOLUTION URGING THE BOARD OF EDUCATION AND THE SUPERINTENDENT OF EDUCATION TO CONSIDER DECLINING ANY FURTHER PARTICIPATION IN THE "NO CHILD LEFT BEHIND ACT OF 2001" AND TO RETURN ALL FEDERAL FUNDS CONDITIONED ON THE IMPLEMENTATION OF THE ACT BY THE STATE OF HAWAII, UNLESS CONGRESS FULLY FUNDS THE ACT," was adopted, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Kahikina, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Sonson, Stonebraker and Thielen voting no, and with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused;

and

H.C.R. No. 147, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE BOARD OF EDUCATION AND THE SUPERINTENDENT OF EDUCATION TO CONSIDER DECLINING ANY FURTHER PARTICIPATION IN THE "NO CHILD LEFT BEHIND ACT OF 2001" AND TO RETURN ALL FEDERAL FUNDS CONDITIONED ON THE IMPLEMENTATION OF THE ACT BY THE STATE OF HAWAII, UNLESS CONGRESS FULLY FUNDS THE ACT," was adopted, with Representatives Blundell, Bukoski, Ching, Finnegan, Fox, Kahikina, Leong, Marumoto, Meyer, Moses, Ontai, Pendleton, Sonson, Stonebraker and Thielen voting no, and with

Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, M. Oshiro and Souki being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1623), recommending that H.R. No. 89, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative Saiki moved that the report of the Committee be adopted and H.R. No. 89, HD 2 be referred to the Committee on Finance, seconded by Representative Lee.

Representative Meyer rose and stated:

"Madame Speaker, just a point of inquiry. Because today is Friday, I thought that today was the deadline for these bills. You know, we're referring them to Finance but there's no way, at least I think, that these can move on. Is that correct?"

The Chair responded, stating:

"You are right."

Representative Meyer: "Is a resolution alive for the next Session? It would be there, basically sitting? I see yes and no."

Vice Speaker Luke: "No."

Representative Meyer: "So is it sort of pointless that we do anything with this today? This is just an inquiry."

At 1:29 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:31 o'clock p.m.

Representative Meyer rose and stated:

"Thank you, Madame Speaker. I appreciate the information during the recess so I think I now understand that the two HCRs that are here on the Order of the Day are essentially dead. But the House Resolution No. 89, HD 2, could be adopted anytime between now and sine die."

The Chair responded, stating:

"Correct."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.R. No. 89, HD 2, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES, DEPARTMENT OF HEALTH, AND BOARD OF PHARMACY TO CONDUCT A JOINT IMPLEMENTATION PLAN ON THE RETURN OF UNUSED DRUGS BY INSTITUTIONAL FACILITIES FOR FUTURE DISPENSING TO PATIENTS," was referred to the Committee on Finance, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, Karamatsu, M. Oshiro and Souki being excused.

Representative Hiraki, for the Committee on Consumer Protection and Commerce presented a report (Stand. Com. Rep. No. 1624), recommending that H.C.R. No. 99, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 99, HD 2, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES, DEPARTMENT

OF HEALTH, AND BOARD OF PHARMACY TO CONDUCT A JOINT IMPLEMENTATION PLAN ON THE RETURN OF UNUSED DRUGS BY INSTITUTIONAL FACILITIES FOR FUTURE DISPENSING TO PATIENTS," was referred to the Committee on Finance, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, Karamatsu, M. Oshiro and Souki being excused.

Representative Morita, for the Committee on Energy and Environmental Protection presented a report (Stand. Com. Rep. No. 1625), recommending that H.C.R. No. 125, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and H.C.R. No. 125, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO PREPARE A PRIMER AND POLICY ANALYSIS ON CARBON EMISSION REDUCTION STRATEGIES, ESPECIALLY TO ENHANCE HAWAII'S RENEWABLE-ENERGY, EXPORT-MARKET POTENTIAL," was referred to the Committee on Finance, with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, Karamatsu, M. Oshiro and Souki being excused.

#### ANNOUNCEMENTS

Representative Leong: "Thank you, Madame Speaker. This is probably going to be our last announcement for the Institute for Human Services. I wish to thank all of you who participated. There were some offices that did not participate, but we're going to give you a chance. So I won't read those names. But I just want to thank you so much because our office is full. The Sergeant-at-Arms has helped us. He is storing a lot of the things for us. And we thank you with all our hearts because the people who get those baskets will be so thrilled. Thank you very much."

Vice Speaker Luke: "Thank you Representative Leong for all your hard work."

Representative Takai: "Thank you, Madame Speaker. I have an announcement. We have in our midst a birthday girl. Our Vice Chair of Higher Education turns 22 tomorrow, and I would like for us to congratulate her. I understand that her staff has provided a cake outside next to the Majority Caucus room so I invite everyone to join her and her staff as we celebrate her birthday. Thank you."

Representative Shimabukuro: "Madame Speaker. I just wanted to thank and recognize the Sergeant-at-Arms and the other emergency personnel that risked their lives yesterday to make sure our buildings were safe."

#### ADJOURNMENT

At 1:34 o'clock p.m. on motion by Representative Lee, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Monday, April 14, 2003. (Representatives with Representatives Arakaki, Caldwell, Halford, Herkes, Ito, Jernigan, Karamatsu, M. Oshiro and Souki being excused.)

## FIFTY-FIRST DAY

Monday, April 14, 2003

The House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2003, convened at 12:05 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Pastor Robert Miller of the Waialae Baptist Church, after which the Roll was called showing all members present with the exception of Representatives Bukoski, Hiraki, Ito, Meyer, Ontai, Takumi and Tamayo who were excused.

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

## GOVERNOR'S MESSAGE

The following message from the Governor (Gov. Msg. No. 242) was received and announced by the Clerk and was placed on file:

Gov. Msg. No. 242, transmitting a report, Status of the Program for Environmentally Themed Products to Support the Environment.

## SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 669 through 725) were received and announced by the Clerk and were placed on file:

Sen. Com. No. 669, dated April 11, 2003, informing the House that the Senate has this day reconsidered its action taken on April 2, 2003 in disagreeing to the amendments proposed by the House to the following Senate Bills and has moved to agree to the amendments, and that said bills have passed Final Reading:

S.B. No. 363, HD 1  
RELATING TO EXPERIMENTAL  
MODERNIZATION PROJECTS FOR COUNTY  
BOARDS OF WATER SUPPLY

S.B. No. 1139, SD 1, HD 1  
RELATING TO FAMILY COURT

S.B. No. 1154, HD 1  
RELATING TO THE OFFICE OF HAWAIIAN  
AFFAIRS

Sen. Com. No. 670, dated April 11, 2003, informing the House that the Senate has this day reconsidered its action taken on April 4, 2003 in disagreeing to the amendments proposed by the House to the following Senate Bills and have moved to agree to the amendments. The Senate further informs you that said bills have passed Final Reading:

S.B. No. 843, SD 1, HD 2  
RELATING TO CONSERVATION OF  
AQUATIC LIFE, WILDLIFE, AND LAND  
PLANTS

S.B. No. 1413, HD 1  
RELATING TO KIKALA-KEOKEA

Sen. Com. No. 671, transmitting S.C.R. No. 6, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A

STUDY ON THE EFFECTS OF BIG BOX RETAILERS ON LOCAL SMALL AND MEDIUM RETAIL BUSINESSES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 672, transmitting S.C.R. No. 9, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO STUDY THE SOCIAL AND FINANCIAL IMPACT OF MANDATORY HEALTH INSURANCE COVERAGE FOR EXAMINATION FOR SEXUALLY TRANSMITTED DISEASES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 673, transmitting S.C.R. No. 17, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATURE TO CONVENE A TASK FORCE TO RE-EVALUATE THE PLACEMENT OF THE OFFICE OF THE PUBLIC GUARDIAN," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 674, transmitting S.C.R. No. 30, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO REVIEW PUBLICATIONS DESIGNED TO INFORM PARENTS AND GUARDIANS ABOUT WHAT THEIR CHILDREN ARE LEARNING IN LANGUAGE ARTS/READING, MATHEMATICS, SCIENCE, AND SOCIAL STUDIES FROM KINDERGARTEN THROUGH GRADE SIX, AND IDENTIFY PARTNERS TO OBTAIN AND DISTRIBUTE A SERIES OF SUCH PUBLICATIONS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 675, transmitting S.C.R. No. 36, SD 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE STADIUM AUTHORITY TO DESIGNATE THE LOWER HALAWA PARKING LOT AT ALOHA STADIUM AS THE STATE FAIRGROUNDS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 676, transmitting S.C.R. No. 39, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO IDENTIFY ALTERNATIVE FUNDING SOURCES FOR HAWAII FILMMAKERS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 677, transmitting S.C.R. No. 40, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TRANSPORTATION TO CONDUCT A STUDY REGARDING THE FEASIBILITY OF ESTABLISHING A PHOTO RED LIGHT ENFORCEMENT PILOT PROJECT TO ENHANCE PEDESTRIAN SAFETY," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 678, transmitting S.C.R. No. 41, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ASSIST IN THE ACCOMMODATION OF PLASMA FACILITIES IN THE STATE," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 679, transmitting S.C.R. No. 49, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY CONCERNING THE ESTABLISHMENT OF AN OFFICE OF INTERNATIONAL AFFAIRS IN STATE GOVERNMENT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 680, transmitting S.C.R. No. 52, SD 1, entitled: "SENATE CONCURRENT RESOLUTION CONVENING A 2003 INTERIM JOINT LEGISLATIVE STUDY GROUP TO CONTINUE DIALOGUE ON PUBLIC SCHOOL REFORM ISSUES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 681, transmitting S.C.R. No. 53, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY ON ESTABLISHING AN ENVIRONMENTAL COURT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 682, transmitting S.C.R. No. 55, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A BIOPROSPECTING ADVISORY COMMISSION TO DEVELOP A COMPREHENSIVE PLAN FOR THE PRESERVATION AND USE OF THE BIOLOGICAL DIVERSITY AND BIOLOGICAL RESOURCES OF THE TRUST LANDS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 683, transmitting S.C.R. No. 56, SD 2, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO INTRODUCE LEGISLATION IN CONGRESS CALLING FOR FURTHER REVIEW OF THE MIGRATION ISSUE AND FOR INCREASED FINANCIAL IMPACT ASSISTANCE FOR PROVIDING SERVICES TO CITIZENS OF THE FREELY ASSOCIATED STATES WHO RESIDE IN THE STATE OF HAWAII UNDER THE COMPACT OF FREE ASSOCIATION AND ANY NEWLY RENEGOTIATED COMPACT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 684, transmitting S.C.R. No. 57, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO REPORT ON THE COSTS OF AND REVENUES GENERATED FROM ADULT AND COMMUNITY EDUCATION PROGRAMS AND THE STATUS OF THE ADOPTION OF STATE STANDARDS AND OUTCOME MEASURES FOR THESE PROGRAMS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 685, transmitting S.C.R. No. 61, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY OF PROPOSED MANDATORY HEALTH INSURANCE COVERAGE FOR HEARING AID DEVICES AND SERVICES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 686, transmitting S.C.R. No. 73, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING EXAMINATION OF THE FEASIBILITY OF DEDICATING A PORTION OF GENERAL EXCISE TAX REVENUES FROM OCEAN RECREATION BUSINESSES TO THE STATEWIDE BOATING PROGRAM," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 687, transmitting S.C.R. No. 75, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A REPORT ON THE STATE'S ACTION PLAN TO ADDRESS CHRONIC HOMELESSNESS IN HAWAII," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 688, transmitting S.C.R. No. 76, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII SMALL BUSINESS REGULATORY REVIEW BOARD TO DEVELOP AND

FORMULATE A SMALL BUSINESS BILL OF RIGHTS FOR CONSIDERATION DURING THE 2004 LEGISLATURE," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 689, transmitting S.C.R. No. 79, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE RALPH BUNCHE CENTENARY CELEBRATION," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 690, transmitting S.C.R. No. 81, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF HYPNOTHERAPISTS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 691, transmitting S.C.R. No. 84, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A COMPARATIVE STUDY ON HEALTH INSURANCE MARKET CONDITIONS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 692, transmitting S.C.R. No. 88, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ASSESS THE LEVEL OF LIGHT POLLUTION IN THE STATE OF HAWAII AND DEVELOP A STRATEGY FOR REDUCING THE AMOUNT OF ELECTRICITY BEING CONSUMED BY EXCESS ILLUMINATION," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 693, transmitting S.C.R. No. 92, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT OF A PLAN FOR THE GATHERING AND ANALYZING OF LONGITUDINAL DATA ON STUDENT ACHIEVEMENT AND THE SUBMISSION OF AN ANNUAL REPORT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 694, transmitting S.C.R. No. 95, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A REVIEW CONCERNING THE REGULATION AND LICENSURE REQUIREMENTS OF PROFESSIONS AND VOCATIONS BY THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 695, transmitting S.C.R. No. 98, SD 1, entitled: "SENATE CONCURRENT RESOLUTION CONVENING AN ECONOMIC SUMMIT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 696, transmitting S.C.R. No. 103, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A MANAGEMENT AND FINANCIAL AUDIT OF THE DEPARTMENT OF PUBLIC SAFETY, NARCOTICS ENFORCEMENT DIVISION," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 697, transmitting S.C.R. No. 105, SD 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE UNITED STATES ARMY, AIR FORCE, AND NAVY TO SELECT A CONTRACTOR WITH LOCAL PARTNERS AND A HISTORY OF DOING BUSINESS IN HAWAII FOR THE RESIDENTIAL COMMUNITIES INITIATIVE," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 698, transmitting S.C.R. No. 107, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY TO FIND SOLUTIONS TO THE

ALGAE GROWTH IN THE CAPITOL POOLS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 699, transmitting S.C.R. No. 108, entitled: "SENATE CONCURRENT RESOLUTION ENCOURAGING THE ESTABLISHMENT OF AN INFORMATION TECHNOLOGY COLLABORATIVE TO SUPPORT THE INCREASED USE OF INFORMATION TECHNOLOGY BY HAWAII PHYSICIANS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 700, transmitting S.C.R. No. 109, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STATUS REPORT ON THE CURRENT USE OF OPEN SOURCE SOFTWARE IN STATE GOVERNMENT AND THE ADOPTION OF A STATE POLICY SUPPORTING USE OF OPEN SOURCE SOFTWARE IN STATE GOVERNMENT OPERATIONS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 701, transmitting S.C.R. No. 111, SD 1, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING THE BOARD OF LAND AND NATURAL RESOURCES TO LEASE SUBMERGED AND TIDAL LANDS OF THE HONOKOHAU SMALL BOAT HARBOR THROUGH MANAGED COMPETITION FOR COMMERCIAL, RECREATIONAL, EDUCATIONAL, AND RESEARCH PURPOSES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 702, transmitting S.C.R. No. 114, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO RESEARCH OPTIONS FOR ESTABLISHING A DEDICATED FUNDING MECHANISM TO IMPLEMENT THE PUBLIC PURPOSE AND RESPONSIBILITIES AS SPECIFIED IN ACT 77, SESSION LAWS OF HAWAII 1997, RELATING TO EARLY CHILDHOOD EDUCATION AND CARE," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 703, transmitting S.C.R. No. 116, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN ACTUARIAL STUDY ON HEALTH INSURANCE PARITY FOR THE TREATMENT OF ALCOHOL DEPENDENCY AND DRUG DEPENDENCY," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 704, transmitting S.C.R. No. 125, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE FISH AND WILDLIFE SERVICE TO REPORT TO THE LEGISLATURE THE BASIS FOR THE CURRENT CRITICAL HABITAT DESIGNATIONS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 705, transmitting S.C.R. No. 131, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO STUDY THE IMPACT OF MANDATED GROUP HEALTH INSURANCE COVERAGE FOR INFERTILITY," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 706, transmitting S.C.R. No. 135, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN AUDIT OF THE DEPARTMENT OF HAWAIIAN HOME LANDS AND THE DEPARTMENT OF LAND AND NATURAL RESOURCES REGARDING COMPLIANCE WITH ACT 150, SESSION LAWS OF HAWAII 1990," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 707, transmitting S.C.R. No. 144, SD 2, entitled: "SENATE CONCURRENT RESOLUTION

REQUESTING THE FORMATION OF A WIRELESS ENHANCED 911 INTERIM WORKING GROUP," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 708, transmitting S.C.R. No. 145, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO REVIEW ITS CRITERIA FOR ALLOCATING ALL STAFF POSITIONS AND TO ALIGN VICE-PRINCIPAL AND OTHER STAFF RESOURCES TO SUPPORT COMPLEX-BASED MANAGEMENT," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 709, transmitting S.C.R. No. 146, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEVELOPMENT OF A STRATEGIC PLAN TO ADDRESS THE FUTURE OF PUBLIC AND SCHOOL LIBRARIES," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 710, transmitting S.C.R. No. 149, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO IDENTIFY EFFECTIVE STATE PRACTICES FOR RAISING ACADEMIC ACHIEVEMENT AMONG LOW SCORING STUDENTS AND NARROWING THE ACHIEVEMENT GAP BETWEEN LOW SCORING STUDENTS AND TOP SCORING STUDENTS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 711, transmitting S.C.R. No. 153, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN INVESTIGATION ON THE STATE AND COUNTIES' LAND USE POLICIES WITH REGARD TO SOLID WASTE MANAGEMENT PROGRAMS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 712, transmitting S.C.R. No. 155, SD 1, entitled: "SENATE CONCURRENT RESOLUTION URGING ALTERNATIVE DISPUTE RESOLUTION TO COMPLETE THE ASSESSMENT AND SETTLEMENT OF NATIVE HAWAIIAN INDIVIDUAL TRUST CLAIMS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 713, transmitting S.C.R. No. 157, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONDUCT AN ANALYSIS OF ITS CURRENT EFFORTS TO DETERMINE TO WHAT EXTENT IT IS UTILIZING PROMISING ENERGY EFFICIENCY AND RENEWABLE ENERGY TECHNOLOGIES IN ITS DEVELOPMENT DISTRICTS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 714, transmitting S.C.R. No. 163, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A "STATE CAPITOL WORKS OF ART BY STUDENTS" PROJECT TO DISPLAY STUDENT WORKS OF ART ON THE WALLS OF THE STATE CAPITOL," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 715, transmitting S.C.R. No. 164, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE CONVENING OF AN EMISSIONS WORKING GROUP TO MEASURE THE STATE'S POWER PLANT AND MOTOR VEHICLE EMISSIONS AND DEVELOP COMPREHENSIVE STRATEGIES TO REDUCE EMISSIONS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 716, transmitting S.C.R. No. 166, entitled: "SENATE CONCURRENT RESOLUTION URGING A JOINT EFFORT BETWEEN THE DEPARTMENT OF AGRICULTURE AND THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STOP THE IMPORTATION OF ALIEN AQUATIC ORGANISMS THAT COULD BECOME INVASIVE," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 717, transmitting S.C.R. No. 184, SD 1, entitled: "SENATE CONCURRENT RESOLUTION CONVENING A TASK FORCE TO STUDY DRUG TESTING IN SCHOOLS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 718, transmitting S.C.R. No. 196, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO UPDATE ITS REPORT ON HAWAII'S FILM INDUSTRY, "A ROAD MAP: THE FILM INDUSTRY'S POTENTIAL AND HOW TO GET THERE"," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 719, transmitting S.C.R. No. 202, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE PERPETUATION OF THE AHUPUA'A DISTRICTS FOR GOVERNMENT-OWNED LANDS," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 720, transmitting S.C.R. No. 203, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE EFFORTS OF THE WINDWARD AHUPUA'A ALLIANCE TO RESTORE, PRESERVE, AND PROMOTE ACCESS TO THE MAUKA LANDS ALONG THE KO'OLAU MOUNTAIN RANGE AND ITS KO'OLAU GREENBELT AND HERITAGE TRAILS SYSTEM," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 721, transmitting S.C.R. No. 205, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING SUPPORT FOR PROMOTING HAWAII AS A RESEARCH AND DEVELOPMENT CENTER FOR HYDROGEN FUEL CELL ENERGY," which was adopted by the Senate on April 11, 2003.

Sen. Com. No. 722, dated April 11, 2003, informing the House that the President has appointed as conferees on the part of the Senate for the consideration of amendments proposed by the Senate to the following House Bills:

<u>H.B. Nos.</u>	<u>Senators</u>
200, HD 1, SD 1	Taniguchi, Chair; Aduja, English, Espero, Hooser, Inouye, Kanno, Kawamoto, Kim, Kokubun, Sakamoto, Tsutsui, Hemmings, Slom, Trimble
808, HD 2, SD 1	Taniguchi, Chair; Hanabusa, Co-Chair; Aduja, English, Espero, Hooser, Inouye, Kanno, Kawamoto, Kim, Kokubun, Sakamoto, Tsutsui, Hemmings, Slom, Trimble
1300, HD 2, SD 2	Taniguchi, Chair; Hanabusa, Co-Chair; Aduja, English, Espero, Hooser, Inouye, Kanno, Kawamoto, Kim, Kokubun, Sakamoto, Tsutsui, Hemmings, Slom, Trimble

Sen. Com. No. 723, dated April 11, 2003, informing the House that the President has appointed as conferees on the part of the Senate for the consideration of amendments proposed by the House to the following Senate Bills:

<u>S.B. Nos.</u>	<u>Senators</u>
295, SD 1, HD 1	Menor, Chair; Baker, Espero, Whalen
374, SD 1, HD 1	Menor, Chair; Baker, Espero, Whalen
394, HD 1	Menor, Chair, Espero, Whalen
611, SD 1, HD 2	Hanabusa, Chair; Kokubun, Co-Chair; Chun Oakland, Taniguchi
678, SD 1, HD 1	Menor, Chair; Kanno, Co-Chair; Espero, Whalen
870, SD 2, HD 1	Chun Oakland, Chair; Menor/Taniguchi, Co-Chairs; Inouye, Trimble
1049, SD 1, HD 1	Menor, Chair; Baker, Espero, Whalen
1058, SD 1, HD 1	Menor, Chair; Ige, Whalen
1200, SD 1, HD 1	Menor, Chair; Ige, Whalen
1306, HD 1	Menor, Chair; Espero, Whalen
1589, SD 1, HD 1	Menor, Chair; Espero, Whalen
1630, HD 1	Menor, Chair; Espero, Whalen

Sen. Com. No. 724, dated April 14, 2003, informing the House that the President has appointed as conferees on the part of the Senate for the consideration of amendments proposed by the House to the following Senate Bills:

<u>S.B. Nos.</u>	<u>Senators</u>
38, HD 2	Kim, Chair; Hanabusa/Taniguchi, Co-Chairs; Tsutsui
41, HD 1	Kim, Chair; Kawamoto/Taniguchi, Co-Chairs; Espero, Slom
44, SD 2, HD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Espero, Kim, Kokubun
255, SD 2, HD 1	Inouye, Chair; Aduja, Co-Chair; Hooser, Whalen
299, SD 1, HD 1	Kawamoto, Chair; Aduja, Kanno, Whalen
317, SD 2, HD 1	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Kim, Kokubun
377, SD 1, HD 2	Kim, Chair; Taniguchi, Co-Chair; Espero, Slom
459, SD 1, HD 1	Hanabusa, Chair; Kawamoto, Co-Chair; English, Espero, Whalen
464, SD 2, HD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Espero, Kim, Kokubun, Sakamoto



579, SD 1, HD 1	Kawamoto, Chair; Taniguchi, Co-Chair; Espero, Trimble	1324, SD 1, HD 2	Hanabusa, Chair; English, Hogue
585, SD 1, HD 1	Baker/Kokubun, Co-Chairs; Taniguchi, Hemmings	1333, SD 1, HD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun
635, SD 2, HD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kawamoto, Kokubun	1334, HD 1	Ige, Chair; Aduja, Hemmings
665, SD 1, HD 2	Kanno, Chair; Kawamoto, Slom	1393, SD 2, HD 1	Hanabusa, Chair; Kawamoto/Taniguchi, Co-Chairs; English, Kokubun, Hogue
687, SD 1, HD 1	Kanno, Chair; Taniguchi, Slom	1410, SD 1, HD 1	Hanabusa, Chair; Sakamoto/Kokubun, Co-Chairs; English, Taniguchi, Tsutsui, Hogue
768, SD 1, HD 2	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui	1425, SD 2, HD 1	Kanno, Chair; Fukunaga/Taniguchi, Co-Chairs; Kawamoto, Kokubun, Tsutsui, Slom
773, HD 2	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui	1438, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
789, SD 1, HD 2	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen	1439, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
830, SD 1, HD 3	Hanabusa, Chair; English, Kawamoto, Hogue	1440, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
880, HD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Kokubun, Whalen	1441, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
931, SD 2, HD 2	Kanno, Chair; Hanabusa, Co-Chair; Kawamoto, Whalen	1442, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
933, SD 1, HD 1	Hanabusa, Chair; Fukunaga, Hogue	1443, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kokubun, Tsutsui, Slom
975, HD 1	Kawamoto, Chair; Fukunaga/Chun Oakland, Co-Chairs; Baker	1444, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kokubun, Tsutsui, Slom
1040, SD 1, HD 1	Kim, Chair; Taniguchi, Co-Chair; Tsutsui, Hemmings	1445, HD 1	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Tsutsui, Whalen
1050, SD 2, HD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Espero, Kokubun	1460, SD 1, HD 2	Kim, Chair; Tsutsui, Slom
1051, HD 2	Kawamoto, Chair; Hanabusa, Co-Chair; English, Espero	1462, HD 2	Kim, Chair; Taniguchi, Co-Chair; Sakamoto, Tsutsui, Slom
1070, HD 1	Kanno, Chair; Kawamoto, Tsutsui	1505, SD 1, HD 2	English, Chair; Kokubun, Co-Chair; Hooser
1134, SD 1, HD 1	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun		
1135, SD 1, HD 1	Hanabusa, Chair; Kokubun, Co-Chair; Chun Oakland, Taniguchi, Hogue		Sen. Com. No. 725, dated April 14, 2003, informing the House that the President has appointed as conferees on the part of the Senate for the consideration of amendments proposed by the Senate to the following House Bills:
1201, SD 2, HD 1	Kawamoto, Chair; Menor, Co-Chair; Whalen		
1262, SD 1, HD 1	Kawamoto, Chair; Aduja, Espero, Sakamoto, Whalen	<b><u>H.B. Nos.</u></b>	<b><u>Senators</u></b>
1267, HD 2	Hanabusa, Chair; Chun Oakland, Hogue	73, SD 1	Kawamoto, Chair; Hanabusa, Co-Chair; Aduja, Fukunaga
1274, SD 1, HD 1	Hanabusa, Chair; Chun Oakland, English, Hogue	176, HD 1, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Fukunaga, Kokubun, Hogue
1279, SD 2, HD 2	Baker/Hanabusa/Taniguchi, Co-Chairs; Chun Oakland, Hogue	282, HD 2, SD 1	Taniguchi, Chair; Kokubun, Tsutsui, Slom
1312, SD 1, HD 2	Kanno, Chair; Taniguchi, Co-Chair; Kawamoto, Kokubun, Slom	285, HD 1, SD 2	Kawamoto, Chair; Hanabusa, Co-Chair; Aduja, Chun Oakland, Espero

287, HD 3, SD 2	Kanno, Chair; Hanabusa, Co-Chair; Kawamoto, Slom	1154, HD 1, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun, Hogue
295, HD 1, SD 2	Hanabusa, Chair; Kokubun, Co-Chair; English, Taniguchi, Hogue	1155, HD 1, SD 1	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun, Hogue
297, HD 2, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun, Hogue	1198, HD 2, SD 2	Kanno, Chair; Hanabusa, Co-Chair; Kawamoto, Slom
298, HD 2, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; English, Kokubun, Sakamoto	1230, HD 1, SD 2	Kawamoto, Chair; Kokubun, Co-Chair; Aduja, Espero, Whalen
324, HD 1, SD 1	Kawamoto, Chair; Aduja, Espero, Hogue	1247, SD 1	Kawamoto, Chair; Taniguchi, Co-Chair; Espero, Hanabusa
373, HD 2, SD 1	Kawamoto, Chair; Hanabusa, Co-Chair; Aduja, Espero	1253, HD 1, SD 1	Kawamoto, Chair; Aduja, Espero, Whalen
385, HD 2, SD 2	Kanno, Chair; Hanabusa, Co-Chair; Kawamoto, Taniguchi, Slom	1255, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Ihara, Kokubun, Hogue
401, HD 1, SD 1	Hanabusa, Chair; Ihara, Hogue	1294, SD 1	English, Chair; Hooser, Co-Chair; Baker
433, SD 1	Taniguchi, Chair; Kokubun, Tsutsui, Hemmings	1303, SD 1	Hanabusa, Chair; Taniguchi, Co-Chair; English, Kokubun, Hogue
500, HD 1, SD 1	Hanabusa, Chair; Kokubun, Co-Chair; English, Taniguchi, Hogue	1307, HD 1, SD 1	Taniguchi/Hanabusa, Co-Chairs; Kokubun, Hemmings
562, SD 1	Hanabusa, Chair; English, Fukunaga, Hogue	1363, HD 1, SD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Espero, Kokubun, Sakamoto, Whalen
564, SD 1	Hanabusa, Chair; Chun Oakland, Fukunaga, Hogue	1400, HD 1, SD 2	Kim, Chair; Fukunaga/Taniguchi, Co-Chairs; Tsutsui, Slom
662, HD 2, SD 2	Kim, Chair; Fukunaga/ Taniguchi, Co-Chairs; Espero, Hogue	1532, HD 2, SD 2	Ige/Taniguchi, Co-Chairs; Aduja, Kokubun, Hemmings
704, HD 1, SD 2	Kawamoto, Chair; Taniguchi, Co-Chair; Aduja, Espero, Kokubun, Sakamoto	1607, HD 2, SD 1	Kawamoto, Chair; Baker, Espero, Whalen
807, HD 2, SD 2	Kawamoto, Chair; Hanabusa, Co-Chair; Chun Oakland, Kanno		
851, HD 1, SD 1	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun, Sakamoto, Hogue		
857, SD 2	Hanabusa, Chair; Taniguchi, Co-Chair; Chun Oakland, Kokubun, Sakamoto, Hogue		
980, HD 1, SD 1	Hanabusa, Chair; Chun Oakland, Hogue		
993, SD 1	Kawamoto, Chair; Aduja, Baker, Whalen		
1003, HD 1, SD 2	Hanabusa, Chair; Kokubun, Co-Chair; Ihara, Taniguchi, Hogue		
1010, HD 1, SD 2	Kawamoto, Chair; Hanabusa, Co-Chair; Espero		
1076, HD 1, SD 1	Hanabusa, Chair; Chun Oakland, Hogue		
1111, HD 2, SD 2	Hanabusa, Chair; Kokubun, Co-Chair; Chun Oakland, Taniguchi, Hogue		
1116, HD 1, SD 2	Hanabusa, Chair; Kokubun, Co-Chair; Chun Oakland, Taniguchi, Hogue		
1152, HD 1, SD 1	Taniguchi, Chair; Kokubun, Tsutsui, Hemmings		

#### INTRODUCTIONS

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

Representative Marumoto introduced Reverend Robert Miller of Waialae Baptist Church and his wife Mrs. Bev Miller.

Representative Marumoto also introduced Mrs. Linda Fernandez and her son Mr. Scott Fernandez of E.K. Fernandez shows.

Representative Finnegan introduced students from Voyager Charter Schools and their teacher, Ms. Terry Holck; parents, Mr. Gilbert Reyes, Ms. Kerryn Carland, principal Ms. Sue Deuber.

At 12:13 o'clock p.m., Representative Lee asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:45 o'clock p.m.

#### ORDER OF THE DAY

#### COMMITTEE ASSIGNMENTS

The following Senate Concurrent Resolutions were referred to committee by the Speaker:

**S.C.R.****Nos.****Referred to:**

6, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance	56, SD 2	Jointly to the Committee on Human Services and Housing and the Committee on Health, then to the Committee on Finance
9	Jointly to the Committee on Consumer Protection and Commerce and the Committee on Health, then to the Committee on Finance	57, SD 1	Committee on Education, then to the Committee on Finance
17	Committee on Human Services and Housing, then to the Committee on Judiciary, then to the Committee on Finance	61	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
20	Committee on Transportation, then to the Committee on Finance	66	Committee on International Affairs, then to the Committee on Finance
30, SD 1	Committee on Education, then jointly to the Committee on Public Safety and Military Affairs and the Committee on Labor and Public Employment, then to the Committee on Finance	73, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
35	Committee on Transportation, then to the Committee on Finance	75, SD 1	Committee on Human Services and Housing, then to the Committee on Finance
36, SD 2	Committee on Tourism and Culture, then to the Committee on Finance	76, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance
39, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance	78	Committee on Higher Education, then to the Committee on Finance
40, SD 1	Committee on Transportation, then to the Committee on Judiciary, then to the Committee on Finance	79	Committee on Higher Education, then to the Committee on Finance
41, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance	81	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
44	Committee on Public Safety and Military Affairs, then to the Committee on Finance	84, SD 1	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance
45, SD 1	Committee on Education, then to the Committee on Finance	85	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
46, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance	88	Committee on Energy and Environmental Protection, then to the Committee on Economic Development and Business Concerns, then to the Committee on Finance
49, SD 1	Committee on International Affairs, then to the Committee on Finance	89, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Legislative Management, then to the Committee on Finance
52, SD 1	Committee on Education, then to the Committee on Finance	90	Committee on Labor and Public Employment, then to the Committee on Higher Education, then to the Committee on Finance
53, SD 1	Committee on Energy and Environmental Protection, then to the Committee on Judiciary, then to the Committee on Finance	92, SD 1	Committee on Education, then to the Committee on Higher Education, then to the Committee on Finance
54	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Health, then to the Committee on Finance	95	Committee on Consumer Protection and Commerce, then to the Committee on Finance
55, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Economic Development and Business Concerns, then to the Committee on Finance	98, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance
		99	Committee on Transportation, then to the Committee on Finance
		100	Committee on Public Safety and Military Affairs, then to the Committee on Finance

101	Committee on Public Safety and Military Affairs, then to the Committee on Finance	146, SD 1	Committee on Education, then to the Committee on Finance
103	Committee on Public Safety and Military Affairs, then to the Committee on Legislative Management, then to the Committee on Finance	149	Committee on Education, then to the Committee on Legislative Management, then to the Committee on Finance
105, SD 1	Committee on Public Safety and Military Affairs, then to the Committee on Finance	153, SD 1	Jointly to the Committee on Energy and Environmental Protection and the Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Legislative Management, then to the Committee on Finance
107, SD 1	Committee on Higher Education, then to the Committee on Legislative Management, then to the Committee on Finance		
108	Committee on Health, then to the Committee on Consumer Protection and Commerce	155, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
109, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance	157, SD 1	Committee on Energy and Environmental Protection, then to the Committee on Economic Development and Business Concerns, then to the Committee on Finance
110, SD 1	Committee on Transportation, then to the Committee on Finance	163, SD 1	Committee on Tourism and Culture, then to the Committee on Education
111, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance	164, SD 1	Committee on Energy and Environmental Protection, then to the Committee on Transportation, then to the Committee on Finance
113	Committee on Education, then to the Committee on Finance	166	Committee on Agriculture, then jointly to the Committee on Energy and Environmental Protection and the Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
114	Committee on Education, then to the Committee on Legislative Management, then to the Committee on Finance		
116, SD 1	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	172	Jointly to the Committee on Health and the Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce
124	Committee on Health, then to the Committee on Higher Education, then to the Committee on Finance	175	Jointly to the Committee on Health and the Committee on Human Services and Housing, then to the Committee on Consumer Protection and Commerce
125, SD 1	Jointly to the Committee on Energy and Environmental Protection and the Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance	184, SD 1	Committee on Education, then to the Committee on Health, then to the Committee on Legislative Management, then to the Committee on Finance
130, SD 1	Committee on Labor and Public Employment, then to the Committee on Legislative Management	195, SD 1	Committee on Labor and Public Employment, then to the Committee on Health, then to the Committee on Finance
131	Committee on Health, then to the Committee on Consumer Protection and Commerce, then to the Committee on Finance	196, SD 1	Committee on Economic Development and Business Concerns, then to the Committee on Finance
132, SD 1	Committee on Health, then to the Committee on Finance	199	Committee on Tourism and Culture, then to the Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
135, SD 1	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Legislative Management	202	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
143, SD 1	Committee on Health, then to the Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance	203	Committee on Water, Land Use, and Hawaiian Affairs, then to the Committee on Finance
144, SD 2	Committee on Consumer Protection and Commerce, then to the Committee on Finance	205	Committee on Energy and Environmental Protection, then to the Committee on Economic Development and Business Concerns, then to the Committee on Finance
145, SD 1	Committee on Education, then to the Committee on Finance		

**COMMITTEE REASSIGNMENTS**

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

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

73, SD 1 Committee on Judiciary, then to the Committee on Finance

133, HD 1, SD 3 Committee on Judiciary, then to the Committee on Public Safety and Military Affairs

140, HD 1, SD 1 Committee on Consumer Protection and Commerce, then to the Committee on Finance

500, HD 1, SD 1 Committee on Judiciary, then to the Committee on Finance

512, HD 1, SD 2 Committee on Judiciary, then to the Committee on Finance

714, HD 1, SD 2 Committee on Education, then to the Committee on Judiciary, then to the Committee on Finance

1042, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1043, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1044, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1045, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1046, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1047, SD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1294, SD 1 Committee on Energy and Environmental Protection, then to the Committee on Finance

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

474, SD 2, HD 1 Committee on Legislative Management, then to the Committee on Judiciary, then to the Committee on Finance

614, SD 1, HD 1 Committee on Judiciary, then to the Committee on Finance

1134, SD 1, HD 1 Committee on Judiciary, then to the Committee on Finance

1135, SD 1, HD 1 Committee on Judiciary, then to the Committee on Finance

1239, SD 1, HD 2 Jointly to the Committee on Energy and Environmental Protection and the Committee on Transportation, then to the Committee on Judiciary, then to the Committee on Finance

1258, SD 1, HD 1 Committee on Agriculture, then to the Committee on Finance

1326, SD 1, HD 1 Committee on Education, then to the Committee on Finance

1438, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1439, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1440, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1441, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1442, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1443, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1444, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1445, HD 1 Committee on Labor and Public Employment, then to the Committee on Finance

1496, HD 1 Committee on Agriculture, then to the Committee on Finance

**APPOINTMENT OF CONFEREES**

In accordance with the disagreement of the House to the amendments proposed by the Senate to the following House bills and the request for a conference on the respective subject matter thereof, the Speaker has this day appointed the following as Conferees on the part of the House:

**H.B. Nos.****Representatives**

10, HD 2, SD 1 Morita/Hiraki, Co-Chairs; Herkes, Thielen

21, HD 1, SD 2 Schatz/M. Oshiro/Nakasone, Co-Chairs; Pendleton

29, HD 1, SD 1 M. Oshiro/Nakasone, Co-Chairs; Ito, Blundell

32, HD 2, SD 2 Takumi/Mindo, Co-Chairs; Evans, Ching

50, HD 2, SD 1 M. Oshiro/Nakasone, Co-Chairs; Ito, Bukoski

73, SD 1 Hamakawa/Nishimoto, Co-Chairs; Karamatsu, Wakai, Moses

75, HD 2, SD 1 Hiraki/Wakai, Co-Chairs; Herkes, Marumoto

96, HD 1, SD 1	Hiraki, Chair; Caldwell, Herkes, Finnegan	294, SD 1	Sonson, Jernigan M. Oshiro/Nakasone, Co-Chairs; Ito, Meyer
122, SD 2	Kahikina/Arakaki/Shimabukuro, Co-Chairs; Hale, Meyer	295, HD 1, SD 2	Kanoho/Kaho`ohalahala, Co-Chairs; Mindo, Bukoski
123, HD 1, SD 1	Arakaki/Hiraki, Co-Chairs; Lee, Finnegan	297, HD 2, SD 2	Hamakawa/Takamine, Co-Chairs; B. Oshiro, Pendleton
127, HD 1, SD 1	Kahikina/Shimabukuro, Co-Chairs; Hale, Stonebraker	298, HD 2, SD 2	Ito/Mindo, Co-Chairs; Caldwell, Bukoski
129, HD 1, SD 1	Kahikina/M. Oshiro/Takai/Shimabukuro, Co-Chairs; Leong	314, HD 1, SD 2	Takumi/Waters, Co-Chairs; Evans, Blundell
130, HD 1, SD 2	M. Oshiro/Nakasone, Co-Chairs; Ito, Moses	317, HD 2, SD 2	Takai/M. Oshiro/Nakasone, Co-Chairs; Ontai
133, HD 1, SD 3	Hamakawa/Ito, Co-Chairs; B. Oshiro, Finnegan	320, HD 2, SD 1	Takai/Hamakawa/Karamatsu, Co-Chairs; Tamayo, Leong
135, HD 1, SD 1	Hamakawa, Chair; Lee, B. Oshiro, Thielen	324, HD 1, SD 1	Hamakawa, Chair; B. Oshiro, Sonson, Marumoto
139, HD 1, SD 1	Hiraki, Chair; Caldwell, Herkes	373, HD 2, SD 1	Hiraki/B. Oshiro, Co-Chairs; Hamakawa, Pendleton
140, HD 1, SD 1	Hiraki/Nakasone, Co-Chairs; Herkes, Marumoto	377, HD 1, SD 1	Arakaki/Nishimoto, Co-Chairs; Hale, Finnegan
155, HD 2, SD 2	Abinsay/Karamatsu, Co-Chairs; Sonson, Halford	384, HD 1, SD 1	Arakaki/Nishimoto, Co-Chairs; Hale, Finnegan
176, HD 1, SD 2	Hamakawa/Ito/Mindo, Co-Chairs; Shimabukuro, Thielen	385, HD 2, SD 2	M. Oshiro/B. Oshiro, Co-Chairs; Lee, Blundell
192, HD 1, SD 1	Kanoho/B. Oshiro, Co-Chairs; Kaho`ohalahala, Bukoski	391, HD 2, SD 2	M. Oshiro/Takamine, Co-Chairs; Ito, Bukoski
200, HD 1, SD 1	Takamine, Chair; Kaho`ohalahala, Karamatsu, Kawakami, Magaoy, Mindo, Nakasone, Nishimoto, Shimabukuro, Wakai, Waters, Bukoski, Jernigan, Meyer, Moses	401, HD 1, SD 1	Hamakawa, Chair; B. Oshiro, Caldwell, Marumoto
248, HD 1, SD 1	Takumi/Arakaki/M. Oshiro, Co-Chairs; Ching	418, HD 1, SD 2	Takai/Karamatsu, Co-Chairs; Tamayo, Leong
281, HD 1, SD 2	Takumi/Kawakami, Co-Chairs; Evans, Ontai	422, HD 2, SD 2	Takai/Arakaki/Nishimoto, Co-Chairs; Ching
282, HD 2, SD 1	Magaoy/Nakasone, Co-Chairs; Luke, Halford	426, HD 1, SD 2	Kanoho/Takamine, Co-Chairs; Magaoy, Thielen
285, HD 1, SD 2	Schatz/B. Oshiro, Co-Chairs; Herkes, Ontai	433, SD 1	Takamine, Chair; Kaho`ohalahala, Karamatsu, Kawakami, Magaoy, Mindo, Nakasone, Nishimoto, Shimabukuro, Wakai, Waters, Bukoski, Jernigan, Meyer, Moses
287, HD 3, SD 2	M. Oshiro/B. Oshiro/Nakasone, Co-Chairs; Pendleton	473, HD 2, SD 2	Morita/Hiraki/Kaho`ohalahala, Co-Chairs; Thielen
289, HD 2, SD 2	Takumi/Takamine, Co-Chairs; Kawakami, Ching	500, HD 1, SD 1	Hamakawa/Magaoy, Co-Chairs; B. Oshiro, Pendleton
290, HD 2, SD 1	M. Oshiro/Nakasone, Co-Chairs; Ito, Blundell	507, HD 3, SD 1	Arakaki/M. Oshiro/Nishimoto, Co-Chairs; Stonebraker
292, HD 2, SD 2	Takumi/Shimabukuro, Co-Chairs; Evans, Leong	512, HD 1, SD 2	Hamakawa/Takamine, Co-Chairs; Nakasone
293, HD 1, SD 2	Abinsay/Karamatsu, Co-Chairs;	531, SD 1	M. Oshiro/Takamine, Co-Chairs;

	Nakasone, Jernigan		Wakai, Finnegan
548, HD 2, SD 1	Arakaki/Hiraki/Hamakawa/Nishimoto, Co-Chairs; Stonebraker	1010, HD 1, SD 2	Hamakawa, Chair; B. Oshiro, Sonson, Finnegan
562, SD 1	B. Oshiro, Chair; Hamakawa, Lee, Finnegan	1013, HD 3, SD 2	M. Oshiro/Hiraki/Nakasone, Co-Chairs; Marumoto
564, SD 1	Hamakawa, Chair; Ito, B. Oshiro, Marumoto	1021, HD 1, SD 2	Takai/Takumi/Wakai, Co-Chairs; Leong
595, HD 1, SD 1	Hiraki, Chair; Herkes, Lee, Stonebraker	1041, SD 1	Takamine, Chair; Kawakami, Magaoay, Jernigan
638, HD 1, SD 2	Takumi/Magaoay, Co-Chairs; Evans, Moses	1042, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Bukoski
640, HD 1, SD 2	Wakai, Chair; Karamatsu, Nishimoto, Meyer	1043, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Jernigan
651, HD 2, SD 1	Arakaki/B. Oshiro, Co-Chairs; Hamakawa, Thielen	1044, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Meyer
662, HD 2, SD 2	Chang/Karamatsu, Co-Chairs; Tamayo, Moses	1045, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Moses
704, HD 1, SD 2	Schatz/Magaoay, Co-Chairs; Wakai, Ontai	1046, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Bukoski
730, SD 1	Arakaki/Hiraki, Co-Chairs; Herkes, Ching	1047, SD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Jernigan
731, HD 1, SD 1	Arakaki/Hiraki, Co-Chairs; Herkes, Ching	1076, HD 1, SD 1	Hamakawa, Chair; B. Oshiro, Sonson, Blundell
735, HD 1, SD 2	Arakaki/Kahikina/Shimabukuro, Co-Chairs; Jernigan	1111, HD 2, SD 2	Hamakawa/Takamine, Co-Chairs; B. Oshiro, Pendleton
736, HD 1, SD 2	Hiraki/Hamakawa, Co-Chairs; Sonson, Marumoto	1116, HD 1, SD 2	Hamakawa/Shimabukuro, Co-Chairs; B. Oshiro, Finnegan
807, HD 2, SD 2	Souki/Hamakawa, Co-Chairs; Caldwell, Blundell	1152, HD 1, SD 1	Takamine, Chair; Karamatsu, Wakai, Waters, Moses
808, HD 1, SD 2	Takamine/Hamakawa, Co-Chairs; Kaho`ohalahala, Karamatsu, Kawakami, Magaoay, Mindo, Nakasone, Nishimoto, Shimabukuro, Wakai, Waters, Bukoski, Jernigan, Meyer, Moses	1154, HD 1, SD 2	Takamine, Chair; Karamatsu, Wakai, Waters, Meyer
851, HD 1, SD 1	Takamine, Chair; Karamatsu, Wakai, Waters, Moses	1155, HD 1, SD 1	Hiraki/B. Oshiro/Magaoay, Co-Chairs; Stonebraker
857, SD 2	Ito/Mindo, Co-Chairs; M. Oshiro, Pendleton	1157, SD 2	M. Oshiro/Nakasone, Co-Chairs; Ito, Blundell
914, HD 2, SD 1	Arakaki/Kahikina/Nishimoto, Co-Chairs; Wakai, Meyer	1160, HD 1, SD 1	Hiraki, Chair; Chang, Herkes, Marumoto
968, HD 1, SD 1	M. Oshiro/Mindo, Co-Chairs; Caldwell, Moses	1161, HD 1, SD 1	Hiraki, Chair; Chang, Herkes, Stonebraker
980, HD 1, SD 1	Hamakawa, Chair; B. Oshiro, Souki, Marumoto	1163, SD 1	Hiraki/Magaoay, Co-Chairs; Herkes, Stonebraker
986, HD 2, SD 2	M. Oshiro/Mindo, Co-Chairs; Caldwell, Bukoski	1164, HD 1, SD 1	Hiraki/Magaoay, Co-Chairs; Herkes, Stonebraker
993, SD 1	Souki/Hamakawa, Co-Chairs; Caldwell, Pendleton	1165, HD 2, SD 1	Hiraki/Hamakawa/Magaoay, Co-Chairs; Pendleton
1003, HD 1, SD 2	Hamakawa/Takamine, Co-Chairs;	1176, HD 1, SD 1	Takumi/Karamatsu, Co-Chairs; Evans, Leong
		1181, HD 1, SD 2	Takamine, Chair;

	Kawakami, Nakasone, Moses		Kawakami, Stonebraker
1198, HD 2, SD 2	M. Oshiro/Hamakawa, Co-Chairs; Ito, Marumoto	1506, HD 1, SD 1	Takumi/Kawakami, Co-Chairs; Evans, Leong
1212, HD 1, SD 1	Kanoho/Takamine/Magaoy, Co-Chairs; Halford	1509, HD 2, SD 2	Kanoho/Takamine, Co-Chairs; Karamatsu, Jernigan
1214, HD 2, SD 2	Kanoho/B. Oshiro, Co-Chairs; Hamakawa, Thielen	1532, HD 2, SD 2	Chang/Tamayo, Co-Chairs; Karamatsu, Leong
1217, HD 1, SD 1	Hamakawa, Chair; B. Oshiro, Sonson, Thielen	1594, HD 1, SD 1	Hiraki, Chair; Herkes, Ito, Marumoto
1230, HD 1, SD 2	Souki/Takamine, Co-Chairs; Caldwell, Blundell	1607, HD 2, SD 1	Souki/Kanoho, Co-Chairs; Caldwell, Blundell
1247, SD 1	Souki/Kawakami, Co-Chairs; Caldwell, Moses	1613, HD 2, SD 1	Kanoho/Kawakami, Co-Chairs; Magaoy, Jernigan
1253, HD 1, SD 1	Takamine, Chair; Magaoy, Wakai, Waters, Jernigan	1616, HD 1, SD 2	Arakaki/Kahikina/Takamine, Co-Chairs; Ching
1255, SD 2	Hamakawa/Takamine, Co-Chairs; Mindo, Finnegan	1652, SD 1	Takamine, Chair; Kawakami, Nakasone, Moses
1285, HD 1, SD 1	Kanoho/Chang/B. Oshiro, Co-Chairs; Ontai		In accordance with the disagreement of the Senate to the amendments proposed by the House to the following Senate bills and the request for a conference on the respective subject matter thereof, the Speaker has this day appointed the following as Conferees on the part of the House:
1294, SD 1	Morita/Nakasone, Co-Chairs; Evans, Bukoski		
1300, HD 2 SD 2	Takamine/Kanoho, Co-Chairs; Kaho' ohalahala, Karamatsu, Kawakami, Magaoy, Mindo, Nakasone, Nishimoto, Shimabukuro, Wakai, Waters, Bukoski, Jernigan, Meyer, Moses	<b><u>S.B. Nos.</u></b>	<b><u>Representatives</u></b>
1303, SD 1	Kanoho/M. Oshiro/Takamine, Co-Chairs; Moses	16, SD 2, HD 2	Takumi/Takai/Waters, Co-Chairs; Evans, Ontai
1328, HD 1, SD 1	Hiraki/Morita, Co-Chairs; Herkes, Thielen	17, SD 1, HD 1	Takumi/Karamatsu, Co-Chairs; Evans, Ontai
1342, HD 1, SD 1	Kahikina/Shimabukuro, Co-Chairs; Hale, Ching	38, HD 2	Chang/Hamakawa/Karamatsu, Co-Chairs; Ontai
1361, HD 2, SD 1	Kahikina/Arakaki/Kawakami, Co-Chairs; Ching	41, HD 1	Chang/Hamakawa/Karamatsu, Co-Chairs; Pendleton
1362, SD 1	Takumi/Nishimoto, Co-Chairs; Evans, Ontai	44, SD 2, HD 2	Souki/Takamine, Co-Chairs; Caldwell, Pendleton
1363, HD 1, SD 2	Wakai, Chair; Karamatsu, Nakasone, Meyer	58, SD 1, HD 2	Takumi/Waters, Co-Chairs; Evans, Ontai
1400, HD 1, SD 2	Chang/Schatz/Takamine, Co-Chairs; Ontai	69, SD 1, HD 1	Takumi, Chair; Evans, Schatz, Leong
1405, HD 1, SD 2	Morita/Kawakami, Co-Chairs; Magaoy, Thielen	78, SD 2, HD 1	Kahikina/Arakaki/B. Oshiro, Co-Chairs; Hamakawa, Marumoto
1412, HD 2, SD 2	Arakaki/Hiraki/Karamatsu, Co-Chairs; Stonebraker	88, SD 1, HD 1	Ito/Souki/Hiraki, Co-Chairs; Thielen
1430, HD 2, SD 2	Arakaki/Nishimoto, Co-Chairs; Hale, Ching	205, SD 3, HD 2	M. Oshiro/Nakasone, Co-Chairs; Mindo, Blundell
1456, HD 1, SD 1	Morita/Wakai, Co-Chairs; Evans, Thielen	209, SD 3, HD 1	M. Oshiro/Nakasone, Co-Chairs; Mindo, Blundell
1465, HD 2, SD 2	Hiraki/Takamine, Co-Chairs;	248, SD 3, HD 1	Chang/Takamine, Co-Chairs; Tamayo, Marumoto
		255, SD 2, HD 1	Abinsay/Kanoho/B. Oshiro, Co-Chairs; Caldwell, Finnegan



295, SD 1, HD 1	Souki, Chair; Caldwell, Ito, Blundell	540, SD 1, HD 2	Abinsay/Magaoay, Co-Chairs; Sonson, Ontai
299, SD 1, HD 1	Hamakawa, Chair; Caldwell, B. Oshiro, Finnegan	552, SD 2, HD 2	Kanoho/Morita/B. Oshiro, Co-Chairs; Thielen
317, SD 2, HD 1	Hale/Shimabukuro, Co-Chairs; Kaho`ohalahala, Moses	574, SD 1, HD 2	Hiraki/Magaoay, Co-Chairs; Herkes, Stonebraker
319, SD 2, HD 1	Morita/Magaoay, Co-Chairs; Kaho`ohalahala, Bukoski	576, HD 2	Takai/Wakai, Co-Chairs; Tamayo, Ontai
325, HD 1	Arakaki/Nishimoto, Co-Chairs; Kawakami, Ching	579, SD 1, HD 1	Magaoay, Chair; Shimabukuro, Waters, Jernigan
337, SD 1, HD 1	Takumi/Karamatsu, Co-Chairs; Evans, Leong	582, HD 1	Takamine, Chair; Kaho`ohalahala, Karamatsu, Kawakami, Magaoay, Mindo, Nakasone, Nishimoto, Shimabukuro, Wakai, Waters, Bukoski, Jernigan, Meyer, Moses
345, SD 1, HD 2	Souki/Hiraki, Co-Chairs; Caldwell, Finnegan	585, SD 1, HD 1	Kahikina/Arakaki/Takamine, Co-Chairs; Finnegan
354, SD 2, HD 2	Morita/Takamine, Co-Chairs; Nakasone, Thielen	611, SD 1, HD 2	Hamakawa/Wakai, Co-Chairs; B. Oshiro, Pendleton
359, SD 2, HD 2	Chang/Schatz/Takamine, Co-Chairs; Marumoto	614, SD 1, HD 1	B. Oshiro/Waters, Co-Chairs; Hamakawa, Pendleton
373, SD 1, HD 2	Hiraki/B. Oshiro, Co-Chairs; Hamakawa, Finnegan	635, SD 2, HD 2	Hamakawa/Waters, Co-Chairs; B. Oshiro
374, SD 1, HD 1	Hiraki, Chair; Herkes, Sonson, Stonebraker	637, HD 2	Hamakawa/Shimabukuro, Co-Chairs; B. Oshiro, Marumoto
377, SD 1, HD 2	Chang/Schatz/Takamine, Co-Chairs; Meyer	658, SD 1, HD 3	Arakaki/Hamakawa/Wakai, Co-Chairs; Thielen
394, HD 1	Hiraki, Chair; Herkes, Sonson, Marumoto	665, SD 1, HD 2	Arakaki/Hiraki, Co-Chairs; Herkes, Finnegan
402, SD 2, HD 2	Takai/Arakaki/Nishimoto, Co-Chairs; Ching	678, SD 1, HD 1	M. Oshiro/Hiraki, Co-Chairs; Lee, Blundell
420, SD 1, HD 1	Takamine, Chair; Kawakami, Nakasone, Meyer	687, SD 1, HD 1	M. Oshiro, Chair; Ito, Mindo, Blundell
426, SD 1, HD 1	Schatz/Wakai, Co-Chairs; Waters, Leong	740, HD 2	Arakaki/Nishimoto, Co-Chairs; Hale, Meyer
457, SD 1, HD 1	Nishimoto, Chair; Karamatsu, Wakai, Moses	745, SD 2, HD 2	Arakaki/Takamine, Co-Chairs; Karamatsu, Bukoski
459, SD 1, HD 1	Hamakawa, Chair; Caldwell, B. Oshiro, Bukoski	748, SD 2, HD 2	Takai/Wakai, Co-Chairs; Tamayo, Ching
464, SD 2, HD 2	Souki/Takamine, Co-Chairs; Caldwell, Pendleton	768, SD 1, HD 2	M. Oshiro/Takamine, Co-Chairs; Nakasone, Bukoski
474, SD 2, HD 1	Magaoay/Hamakawa/Kawakami, Co-Chairs; Marumoto	773, HD 2	M. Oshiro/Takamine, Co-Chairs; Nakasone, Blundell
506, HD 2	Morita/Magaoay, Co-Chairs; Evans, Jernigan	789, SD 1, HD 2	M. Oshiro/Takamine, Co-Chairs; Nakasone, Blundell
528, SD 2, HD 1	Kanoho/Kaho`ohalahala, Co-Chairs; Magaoay, Meyer	830, SD 1, HD 3	M. Oshiro/Hamakawa/Shimabukuro, Co-Chairs; Pendleton
534, SD 2, HD 1	Takai/Wakai, Co-Chairs; Tamayo, Ching	837, SD 1, HD 2	Schatz/M. Oshiro/Wakai, Co-Chairs; Leong
538, SD 1, HD 1	Abinsay/Kanoho/Kaho`ohalahala, Co-Chairs; Halford		

855, SD 1, HD 3	Schatz/Morita/Takamine, Co-Chairs; Thielen	1201, SD 2, HD 1	Hiraki/Hamakawa, Co-Chairs; B. Oshiro, Finnegan
870, SD 2, HD 1	Kahikina/Shimabukuro, Co-Chairs; Kawakami, Stonebraker	1234, SD 2, HD 1	Hamakawa, Chair; Caldwell, B. Oshiro, Marumoto
880, HD 2	Magaoy/Karamatsu, Co-Chairs; Luke, Jernigan	1237, SD 1, HD 2	Takumi/Waters, Co-Chairs; Evans, Ontai
919, SD 1, HD 2	Takai/Wakai, Co-Chairs; Tamayo, Ching	1239, SD 1, HD 2	Morita/Souki/Kawakami, Co-Chairs; Thielen
931, SD 2, HD 2	M. Oshiro/Nakasone, Co-Chairs; Caldwell, Pendleton	1241, HD 2	Arakaki/Nishimoto, Co-Chairs; Hale, Ching
933, SD 1, HD 1	Hamakawa, Chair; Lee, B. Oshiro, Finnegan	1255, SD 2, HD 1	Abinsay/Karamatsu, Co-Chairs; Sonson, Halford
945, SD 1, HD 1	Kahikina/Arakaki/Takumi/Takamine, Co-Chairs; Stonebraker	1258, SD 1, HD 1	Abinsay/Karamatsu, Co-Chairs; Sonson, Meyer
946, HD 2	Kahikina/Hamakawa, Co-Chairs; B. Oshiro, Ching	1261, HD 2	Hiraki/Magaoy, Co-Chairs; Herkes, Moses
975, HD 1	Chang/B. Oshiro/Karamatsu, Co-Chairs; Thielen	1262, SD 1, HD 1	Hiraki/Magaoy, Co-Chairs; Herkes, Meyer
1034, SD 1, HD 2	Abinsay/Kanoho/Kaho'ohalahala, Co-Chairs; Halford	1267, HD 2	Hiraki/B. Oshiro, Co-Chairs; Hamakawa, Stonebraker
1040, SD 1, HD 1	Chang/Kanoho/Takamine, Co-Chairs; Ontai	1274, SD 1, HD 1	Hamakawa, Chair; Caldwell, B. Oshiro, Pendleton
1049, SD 1, HD 1	Hiraki, Chair; Herkes, Sonson, Stonebraker	1279, SD 2, HD 2	B. Oshiro/Waters, Co-Chairs; Hamakawa, Moses
1050, SD 2, HD 2	Ito/Mindo, Co-Chairs; Magaoy, Pendleton	1281, SD 1, HD 1	Schatz/Wakai, Co-Chairs; Tamayo, Leong
1051, HD 2	Souki/Hamakawa, Co-Chairs; B. Oshiro, Moses	1286, SD 1, HD 2	Schatz/Kahikina/M. Oshiro/Nakasone, Co-Chairs; Ontai
1055, SD 1, HD 1	Hiraki/Takamine, Co-Chairs; Herkes, Bukoski	1305, SD 1, HD 1	Takamine, Chair; Kawakami, Waters, Moses
1058, SD 1, HD 1	Hiraki, Chair; Caldwell, Herkes, Marumoto	1306, HD 1	Hiraki/Magaoy, Co-Chairs; Herkes, Jernigan
1068, SD 1, HD 2	Kahikina/Shimabukuro, Co-Chairs; Magaoy, Moses	1309, SD 2, HD 2	M. Oshiro/Nakasone, Co-Chairs; Mindo, Blundell
1070, HD 1	M. Oshiro/Hiraki/Nakasone, Co-Chairs; Pendleton	1311, SD 1, HD 1	Takamine, Chair; Kawakami, Wakai, Jernigan
1077, SD 1, HD 1	Hiraki/Karamatsu, Co-Chairs; Herkes, Meyer	1312, SD 1, HD 2	M. Oshiro/Nakasone, Co-Chairs; Ito, Blundell
1088, SD 2, HD 2	Arakaki/Kahikina/Takamine, Co-Chairs;	1319, SD 1, HD 3	Hiraki/B. Oshiro/Karamatsu, Co-Chairs; Finnegan
1134, SD 1, HD 1	Hamakawa/Nishimoto, Co-Chairs; B. Oshiro, Pendleton	1321, HD 2	Arakaki/Hiraki/Nishimoto, Co-Chairs; Thielen
1135, SD 1, HD 1	Hamakawa/Nishimoto, Co-Chairs; B. Oshiro, Bukoski	1324, SD 1, HD 2	Hiraki/B. Oshiro, Co-Chairs; Hamakawa, Stonebraker
1172, SD 2, HD 2	Souki/Schatz/Wakai, Co-Chairs; Caldwell, Leong	1326, SD 1, HD 1	Takumi/Waters, Co-Chairs; Evans, Meyer
1200, SD 1, HD 1	Hiraki, Chair; Herkes, Sonson, Marumoto	1332, SD 2, HD 2	M. Oshiro/Takamine, Co-Chairs; Nakasone, Bukoski

1333, SD 1, HD 2	M. Oshiro/Takamine, Co-Chairs; Nakasone, Jernigan	1446, SD 2, HD 1	Schatz/Arakaki/Wakai, Co-Chairs; Leong
1334, HD 1	Magaoay, Chair; Nishimoto, Waters, Meyer	1460, SD 1, HD 2	Chang/Karamatsu, Co-Chairs; Herkes, Ontai
1352, SD 1, HD 2	Kahikina/Hamakawa/Shimabukuro, Co-Chairs; Ching	1462, HD 2	Chang/Karamatsu, Co-Chairs; Herkes, Ontai
1373, SD 1, HD 1	M. Oshiro/Nakasone, Co-Chairs; Ito, Blundell	1492, SD 1, HD 2	Arakaki/Kahikina/Hiraki, Co-Chairs; Stonebraker
1381, SD 1, HD 2	Takumi/Takamine, Co-Chairs; Evans, Mindo, Ontai	1495, SD 1, HD 1	Kanoho/Kaho' ohalahala, Co-Chairs; Wakai, Thielen
1393, SD 2, HD 1	Ito/M. Oshiro/Hamakawa/Takamine, Co-Chairs; Pendleton	1496, HD 1	Abinsay/Karamatsu, Co-Chairs; Sonson, Jernigan
1394, SD 2, HD 1	Kawakami, Chair; Karamatsu, Waters, Bukoski	1505, SD 1, HD 2	Morita/Abinsay/Karamatsu, Co-Chairs; Halford
1395, SD 1, HD 1	Kawakami, Chair; Karamatsu, Waters, Jernigan	1519, SD 1, HD 2	Arakaki/Nishimoto, Co-Chairs; Nakasone, Stonebraker
1397, SD 1, HD 2	Schatz/Wakai, Co-Chairs; Tamayo, Ontai	1589, SD 1, HD 1	Hiraki, Chair; Caldwell, Herkes, Marumoto
1399, SD 2, HD 2	Kahikina/Arakaki/Takamine, Co-Chairs; Ching	1594, HD 1	Kanoho/B. Oshiro, Co-Chairs; Hamakawa, Finnegan
1400, SD 1, HD 1	Kawakami, Chair; Karamatsu, Waters, Meyer	1619, SD 2, HD 2	Kanoho/Ito/Chang/Takamine, Co-Chairs; Leong
1403, HD 1	Souki/Kawakami, Co-Chairs; Caldwell, Moses	1621, HD 1	Takamine, Chair; Kawakami, Nakasone, Meyer
1410, SD 1, HD 1	Takai/Wakai, Co-Chairs; Tamayo, Leong	1629, SD 1, HD 2	Chang/Hiraki/Takamine, Co-Chairs; Leong
1423, SD 2, HD 2	Kahikina/Shimabukuro, Co-Chairs; Wakai, Finnegan	1630, HD 1	Hiraki, Chair; Caldwell, Herkes, Marumoto
1425, SD 2, HD 1	Schatz/M. Oshiro/Wakai, Co-Chairs; Leong	1647, SD 2, HD 2	Kahikina/Hiraki/Shimabukuro, Co-Chairs; Ching
1432, SD 2, HD 2	Abinsay/Karamatsu, Co-Chairs; Sonson, Halford	1661, SD 2, HD 1	Kahikina/Shimabukuro, Co-Chairs; Hale, Stonebraker
1438, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Bukoski	1675, HD 3	Arakaki/Hamakawa/Nishimoto, Co-Chairs; Pendleton
1439, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Meyer	1700, SD 1, HD 2	Takumi/Waters, Co-Chairs; Evans, Ontai
1440, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Moses		
1441, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Bukoski		
1442, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Meyer		
1443, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Moses		
1444, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Bukoski		
1445, HD 1	M. Oshiro/Takamine, Co-Chairs; Mindo, Jernigan		

#### STANDING COMMITTEE REPORTS

Representative Chang, for the Committee on Tourism and Culture presented a report (Stand. Com. Rep. No. 1626), recommending that S.C.R. No. 38, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.C.R. No. 38, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO PROMOTE HAWAII FILMMAKERS AND LOCALLY MADE FILMS AS A MEANS OF PROMOTING TOURISM," was referred to the Committee on Finance with Representatives Arakaki, Bukoski,

Chang, Hale, Halford, Herkes, Hiraki, Marumoto, Meyer, Tamayo and Thielen being excused.

Representative Chang, for the Committee on Tourism and Culture presented a report (Stand. Com. Rep. No. 1627), recommending that S.C.R. No. 42, SD 1, be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Lee and carried, the report of the Committee was adopted and S.C.R. No. 42, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE HAWAII TOURISM AUTHORITY TO DESIGN, IMPLEMENT, AND EVALUATE A CULTURAL TELEVISION AND FILM PILOT PROJECT," was referred to the Committee on Finance with Representatives Arakaki, Bukoski, Chang, Hale, Halford, Herkes, Hiraki, Marumoto, Meyer, Tamayo and Thielen being excused.

### INTRODUCTION OF RESOLUTION

By unanimous consent, the following resolution (H.R. No. 202) was deferred one legislative day.

H.R. No. 202, entitled: "HOUSE RESOLUTION AMENDING HOUSE RULE 16 TO REQUIRE A CONFERENCE COMMITTEE TO REPORT ON A MEASURE WHEN A MAJORITY OF COMMITTEE MEMBERS OF BOTH CHAMBERS CONCUR IN THE REPORT," was jointly offered by Representatives Fox, Thielen, Marumoto, Moses, Blundell, Halford, Bukoski, Leong, Stonebraker, Meyer, Finnegan, Ching, Ontai, Pendleton and Sonson.

At this time the Chair announced:

"Action on HR No. 202 shall be deferred to the next legislative day, Wednesday, April 16, 2003. If you look at House Rule No. 57, 'Amendment to Rules' states, in part: 'These Rules shall not be altered unless the members of the House have received the twenty-four hour notice of the proposed change. The twenty-four hour period shall commence with the placement of a printed copy of the proposed amendment upon the desk of each member.'"

### ANNOUNCEMENTS

At 12:46 o'clock p.m., Representative Arakaki asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:47 o'clock p.m.

Representative Arakaki, for the Committee on Health, requested a waiver of the 48-hour advance notice for the purpose of hearing Senate concurrent resolutions, and the Chair "so ordered."

Representative Arakaki: "Mr. Speaker, we would like to request a waiver to hear SCR No. 116, SD 1; and 132, SD 1. I would like to announce our intention to amend these measures for the purpose of inserting language to do a sunrise analysis on expansion of mental health benefits. That's the amendment to SCR 116.

"And for SCR 132, another sunrise analysis to study the expansion of benefits for diabetes education. Mr. Speaker,

these two measures were heard as House concurrent resolutions previously."

Speaker Say: "Thank you very much. Members, any questions to the waiver of the 48-hour hearing notice on a Senate concurrent resolution, as far as using it as a vehicle to address the two issues dealing with sunset legislation?"

Representative Arakaki: "Mr. Speaker, if the waiver is granted, then we ..."

Speaker Say: "So ordered."

At 12:49 o'clock p.m., Representative Souki asked for a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 12:51 o'clock p.m.

Representative Arakaki: "Thank you, Mr. Speaker. As I mentioned before, these measures will be heard tomorrow at our hearing by the Health Committee in conference room 329, starting at 9:00," and the Chair "so ordered."

Speaker Say: "Members, please take out your referral sheet for Senate concurrent resolutions."

Representative Souki, for the Committee on Transportation requested a waiver of the 48-hour advanced notice to hear SCR No. 40, SD 1, Requesting the Department of Transportation to conduct a study regarding the feasibility of establishing a photo red light enforcement pilot project to enhance pedestrian safety, and the Chair "so ordered."

Representative Souki: "The hearing will be at 9:00 am in room 309, with decision making to follow."

Representative Kahikina: "Thank you, Mr. Speaker. On behalf of my staff and really the host of the entire efforts to raise money for the Foodbank, our Vice Chair of Human Service and Housing, Representative Shimabukuro, we would like to thank all those who participated in the bake sale. And if you haven't bought any of your sweet carbohydrates, we still have some in room 423. And remember, all the proceeds will go to a very worthy cause. For our Foodbank. Thank you."

Representative Lee: "Mr. Speaker. I would like to make an announcement. Because we're not going to be here tomorrow, I wanted to let the Members know that at 11:00 am, on Tuesday April 15th, there will be an Equal Pay Day press conference in conference room 423. And the national observance of Equal Pay Day is to raise awareness about unfair pay in American.

"This year, Equal Pay Day is April 15th, and symbolic of the point into the new week where a woman must work in order to earn the wages earned by a man in the previous week. In other words, because women on the average earn less, they must work longer for the same pay. So we look forward to seeing you tomorrow at the press conference to learn more about the wage gap. Thank you, Mr. Speaker."

Speaker Say: "For the Members of this House, the Conference Committees will be starting tomorrow evening. So I just wanted to make all of you aware that for the next five days, I hope the Conferees who are representing the House will start their Conferences. I note that tomorrow evening, HB 200, HD 1, SD 1, will be going into Conference. And I think that all Members who are freshmen are invited to attend this particular Conference where the House and Senate meet."

Representative Caldwell, for the Committee on Transportation requested a waiver of the 48-hour rule to hear an additional Senate concurrent resolution.

Speaker Say: "Please explain to the Members on the referral sheet. What page is it on?"

Representative Caldwell: "Mr. Speaker, it's not on this referral sheet. It was previously referred, but we had not scheduled a hearing. It is SCR No. 27, SD 1, which is requesting our Congressional Delegation to ask the Federal Administration to waive the anti-trust rules so that Hawaiian and Aloha can get together to discuss their scheduling of flights between interislands," and the Chair "so ordered."

Representative Caldwell: "The hearing will be in room 309, at 9:00 am, on this coming Wednesday, April 16th."

#### ADJOURNMENT

At 12:56 o'clock p.m. on motion by Representative Lee, seconded by Representative Pendleton and carried, the House of Representatives adjourned until 12:00 o'clock noon, Wednesday, April 16, 2003. (Representatives Bukoski, Chang, Halford, Meyer, Tamayo and Thielen were excused.)