

TWENTY-FIFTH DAY

Tuesday, March 4, 2008

The House of Representatives of the Twenty-Fourth Legislature of the State of Hawaii, Regular Session of 2008, convened at 9:12 o'clock a.m., with the Speaker presiding.

The invocation was delivered by Representative Alex M. Sonson, after which the Roll was called showing all members present with the exception of Representatives Nakasone, Souki, Takai and Takamine, who were excused.

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

GOVERNOR'S MESSAGE

The following messages from the Governor (Gov. Msg. Nos. 266 and 267) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 266, dated December 21, 2007, transmitting the FY 06-07 Hawaii Coastal Zone Management Annual Report, pursuant to Section 205A-3(10).

Gov. Msg. No. 267, dated February 29, 2008, transmitting the Report of the Temporary Hawaii Inter-Island Ferry Oversight Task Force.

SENATE COMMUNICATION

The following communications from the Senate (Sen. Com. Nos. 29 through 51) were received and announced by the Clerk:

Sen. Com. No. 29, transmitting S.B. No. 521, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL AFFAIRS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 30, transmitting S.B. No. 1809, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 31, transmitting S.B. No. 2034, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST OCEANLINX HAWAII LLC," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 32, transmitting S.B. No. 2041, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 33, transmitting S.B. No. 2141, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 34, transmitting S.B. No. 2202, entitled: "A BILL FOR AN ACT RELATING TO PARTIAL PUBLIC FINANCING OF ELECTIONS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 35, transmitting S.B. No. 2226, SD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE COMMISSION ON FATHERHOOD," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 36, transmitting S.B. No. 2312, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 37, transmitting S.B. No. 2314, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 38, transmitting S.B. No. 2523, SD 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 39, transmitting S.B. No. 2675, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 40, transmitting S.B. No. 2714, entitled: "A BILL FOR AN ACT RELATING TO THE INTERMEDIATE APPELLATE COURT," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 41, transmitting S.B. No. 2861, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM LAND SALES PRACTICES ACT," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 42, transmitting S.B. No. 2876, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 43, transmitting S.B. No. 2900, SD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 44, transmitting S.B. No. 2959, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR ELECTRICITY, SEWER, REFUSE, AND INSURANCE PREMIUM PAYMENTS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 45, transmitting S.B. No. 3021, SD 1, entitled: "A BILL FOR AN ACT RELATING TO VIATICAL SETTLEMENTS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 46, transmitting S.B. No. 3028, entitled: "A BILL FOR AN ACT RELATING TO GRADUATES OF FOREIGN ACUPUNCTURE PROGRAMS," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 47, transmitting S.B. No. 3088, entitled: "A BILL FOR AN ACT RELATING TO THE LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 48, transmitting S.B. No. 3109, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CORRECTIONAL PROGRAM REVOLVING FUND," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 49, transmitting S.B. No. 3130, SD 1, entitled: "A BILL FOR AN ACT RELATING TO NURSING," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 50, transmitting S.B. No. 3190, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SOPOGY INC., IN THE DEVELOPMENT OF RENEWABLE ENERGY ON THE ISLAND OF OAHU," which passed Third Reading in the Senate on February 29, 2008.

Sen. Com. No. 51, transmitting S.B. No. 3196, entitled: "A BILL FOR AN ACT RELATING TO LEASE TO FEE CONVERSION," which passed Third Reading in the Senate on February 29, 2008.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bill passed First Reading by title and further action was deferred: (Representatives Nakasone, Souki and Takai were excused.)

S.B. No. 521, SD 1	S.B. No. 2861
S.B. No. 1809	S.B. No. 2876
S.B. No. 2034	S.B. No. 2900, SD 1
S.B. No. 2041	S.B. No. 2959
S.B. No. 2141	S.B. No. 3021, SD 1
S.B. No. 2202	S.B. No. 3028
S.B. No. 2226, SD 1	S.B. No. 3088
S.B. No. 2312	S.B. No. 3109, SD 1
S.B. No. 2314, SD 1	S.B. No. 3130, SD 1
S.B. No. 2523, SD 1	S.B. No. 3190
S.B. No. 2675, SD 1	S.B. No. 3196
S.B. No. 2714	

INTRODUCTIONS

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

Representative Har introduced the 3rd, 4th and 5th grade students of Maukalani Elementary School in Kapolei. They were accompanied by their Counselors, Mrs. Arisa Domingo and Ms. Tammy Sakato; and PCNC Coordinator, Kahi Teson.

Representative Sagum introduced Mr. Mel Wills of Holoholo Charters on Kauai.

Representative Ito introduced his friend and Kaneohe resident, Mr. Glenn Ida with the Hawaii Teamsters and Allied Workers, Local 996.

Representative Meyer introduced Ms. Kat Brady, advocate for children of incarcerated parents.

ORDER OF THE DAY

COMMITTEE ASSIGNMENTS

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

<u>H.R.</u> <u>Nos.</u>	<u>Referred to:</u>
95	Committee on Water, Land, Ocean Resources & Hawaiian Affairs
96	Committee on International Affairs, then to the Committee on Tourism & Culture
97	Committee on Public Safety & Military Affairs
98	Committee on Transportation, then to the Committee on Finance
99	Committee on Agriculture, then to the Committee on Higher Education
100	Jointly to the Committee on Human Services & Housing and the Committee on Health, then to the Committee on Consumer Protection & Commerce

101	Committee on Higher Education, then to the Committee on Finance
102	Committee on Consumer Protection & Commerce
103	Committee on Consumer Protection & Commerce
104	Committee on Education, then to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs
105	Committee on Legislative Management, then to the Committee on Finance
106	Committee on Economic Development & Business Concerns, then to the Committee on Higher Education

H.C.R. Nos.

Referred to:

112	Committee on Water, Land, Ocean Resources & Hawaiian Affairs
113	Committee on International Affairs, then to the Committee on Tourism & Culture
114	Committee on Public Safety & Military Affairs
115	Committee on Transportation, then to the Committee on Finance
116	Committee on Agriculture, then to the Committee on Higher Education
117	Committee on Water, Land, Ocean Resources & Hawaiian Affairs
118	Jointly to the Committee on Human Services & Housing and the Committee on Health, then to the Committee on Consumer Protection & Commerce
119	Committee on Higher Education, then to the Committee on Finance
120	Committee on Consumer Protection & Commerce
121	Committee on Consumer Protection & Commerce
122	Committee on Education, then to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs
123	Committee on Education, then to the Committee on Finance
124	Committee on Economic Development & Business Concerns, then to the Committee on Higher Education

The following bills were referred to committee by the Speaker:

S.B. Nos.

Referred to:

1815, SD1	Committee on Consumer Protection & Commerce
2103, SD1	Jointly to the Committee on Health and the Committee on Human Services & Housing
2408, SD1	Jointly to the Committee on Health and the Committee on Human Services & Housing, then to the Committee on Judiciary

3170, Committee on Agriculture, then to the Committee on
SD1 Education, then to the Committee on Finance

3248, Committee on Transportation, then to the Committee on
SD1 Judiciary

SUSPENSION OF RULES

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the rules were suspended for the purpose of considering certain bills on Third Reading and Final Reading on the basis of a modified consent calendar. (Representatives Nakasone, Souki and Takai were excused.)

CONSENT CALENDAR

UNFINISHED BUSINESS

At this time, the Chair announced:

"Members at this time there will be no discussion on those measures or items that were agreed to by this body for placement on the Consent Calendar. Does everyone understand that?"

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 740-08) recommending that H.B. No. 1101, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1101, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 741-08) recommending that H.B. No. 2699, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2699, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM PROBATE CODE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 742-08) recommending that H.B. No. 3023, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3023, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER'S LICENSE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 743-08) recommending that H.B. No. 2618, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2618, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC INFRACTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 745-08) recommending that H.B. No. 1984, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1984, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 747-08) recommending that H.B. No. 2347, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2347, HD 1, entitled: "A BILL FOR AN ACT RELATING TO METAL," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 751-08) recommending that H.B. No. 2436, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2436, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong support. This measure is not an attack on cultural practices nor is it a prohibition on an activity that many people enjoy. Indeed, many people expect fireworks on major holidays such as New Year's Day, Chinese New Year's, and the distinctly American Fourth of July. The H.D. 2 of House Bill 2436 merely clarifies the statute that already exists and makes known that we as a legislative body recognize the importance of respecting those who are adversely affected by fireworks due to smoke and noise.

"In addition Mr. Speaker, District 40, my district, is slated for large-scale urban development. It is necessary to have clear delineation between fireworks activities that are legal and those that are illegal. With a large population living in close quarters, sometimes courtesy is not enough to mitigate noise, smoke, and fire hazards. It is important for my constituency to clearly recognize when they are within their rights to take issue with firework use.

"For these reasons, Mr. Speaker, I stand in strong support of HB 2436."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2436, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FIREWORKS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 752-08) recommending that H.B. No. 2421, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2421, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representatives Herkes and Waters, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary

presented a report (Stand. Com. Rep. No. 754-08) recommending that H.B. No. 2960, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2960, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 757-08) recommending that H.B. No. 2372, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2372, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support. This measure will streamline the process for those interested in investing in our beautiful State. Allowing people who have dealt with specific developers in other states to buy property from those developers will ensure accountability in sales, as well as facilitate the growth of trusting relationships between buyers and their chosen realtors. The American Resort Development Association also submitted testimony that they were cognizant of the effect on local residents and prospective buyers, and they are more than happy to work with the Department of Commerce and Consumer Affairs to mitigate possible negative effects. As such Mr. Speaker, this bill is still a work in progress and deserves our support for further consideration.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2372, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARE PLANS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 762-08) recommending that H.B. No. 2467, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2467, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FIRE PROTECTION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Yamane, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 764-08) recommending that H.B. No. 2626, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2626, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Pine's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support of H.B. No. 2626. This bill designates the Hawaiian monk seal as the official State mammal of Hawaii. The Hawaiian monk seal is the only marine mammal whose entire range is within the United States. Unfortunately, the Hawaiian monk seal has been an endangered species since 1976.

"The population of the seals has been in decline for the past 20 years and only 1,200 of them remain. This number is expected to decrease over the next five years to 1,000. Designating the Hawaiian

monk seal as the official State mammal would help raise public awareness of the plight of the seal and bolster support for the National Oceanographic and Atmospheric Administration's and the Department of Land and Natural Resource's conservation efforts. Similar conservation efforts were successful when the humpback whale was designated as the State marine mammal. Therefore, I ask my fellow colleagues for your support on this measure. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2626, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DESIGNATION OF THE HAWAIIAN MONK SEAL AS THE STATE MAMMAL OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 773-08) recommending that H.B. No. 3310, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3310, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tsuji's written remarks are as follows:

"In support. This bill seeks to strengthen and improve the agriculture industry, expand employment opportunities for residents, and stimulate the economy by appropriating grant money to the Hawaii Farm Bureau Federation to conduct agricultural research and development. The Farm Bureau is an important voice for farmers, ranchers, and other agricultural producers.

"Hawaii agriculture is no longer represented by large plantations that could fund research and development privately. Instead, many of the producers today are small business entrepreneurs who do not have the capacity to fund private research and development projects. The Farm Bureau's programs compliment existing efforts in institutions such as the Hawaii Agricultural Research Center, the University of Hawaii's College of Tropical Agriculture, and the Department of Agriculture on various agricultural research and market development initiatives. Together, these organizations and agencies cooperate on research projects to improve the production of Hawaii crops- minimizing overlap and assuring the broadest range of research assistance for today's agricultural community. This body should support their collective cause through the efforts of the Hawaii Farm Bureau Federation."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3310, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 774-08) recommending that H.B. No. 3425, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3425, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TARO," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 775-08) recommending that H.B. No. 2163, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2163, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I am in support of this measure. The measure provides for more efficient financial operations at the University of Hawaii by limiting the University's duty to pre-audit payments that amount to \$10,000 or more.

"Currently the University is required to pre-audit all proposed payments. The task of pre-auditing requires the pre-audit unit in charge of conducting the pre-audit to manually review each and every transaction for its legality, propriety, and conformity to policies and rules and regulations. The unit must also manually review the adequacy of any supporting documentation. Further compounding the matter is the need for a quick turn over in the payment process to avoid any penalties. This is a difficult task given the University's staffing shortage and resource constraints.

"Mr. Speaker, the passage of this measure will allow the University to redesign its pre-audit program and to utilize its resources more effectively. This measure would focus their auditing efforts to selectively identify transactions having higher risks of abuse or those that are more likely to contain errors, thereby resulting in a more thorough pre-audit review and a reduction in the amount of erroneous payments."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2163, HD 2, entitled: "A BILL FOR AN ACT RELATING TO COMPTROLLER SUPERVISION OF ACCOUNTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 776-08) recommending that H.B. No. 2164, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2164, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

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

"The growing number of families afflicted by cancer has increased the need for cancer research and care in Hawai'i. This bill will ensure that the Cancer Research Center of Hawai'i (CRCH) is adequately funded to continue in this endeavor.

"The Cigarette Tax will continue to be the primary source of their revenue, but by giving the CRCH authority to make capital expenditures and source other streams of revenue, we will be advancing the finances and capacity of the CRCH, and we will be coming one step closer to finding a cure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2164, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CANCER RESEARCH SPECIAL FUND," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 777-08) recommending that H.B. No. 2166, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2166, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 782-08) recommending that H.B. No. 2696, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2696, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF THE JUDICIARY HISTORY CENTER," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 784-08) recommending that H.B. No. 3398, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3398, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Manahan's written remarks are as follows:

"The Filipino community has grown since their arrival to Hawaii 101 years ago. Approximately one out of every four Hawaii residents is of Filipino ancestry, consisting of over a quarter of a million people.

"Hawaii has the fourth highest percentage of immigrants in the country. Of the 212,229 foreign-born residents in Hawaii in 2000, almost half (48 per cent) were from the Philippines. More than 40 per cent of Filipinos living in Hawaii are under the age of 25. About 36,595 Filipino students (21 per cent) are enrolled in Hawaii's public school system, in grades kindergarten through 12.

"However, despite their representation in the general population and in elementary and high school, Filipinos are underrepresented in higher education. Filipinos represent 21 per cent of the public school enrollment, yet only 15 per cent of the Filipino population 25 years of age and over has earned a bachelor's degree or higher, placing Filipinos below all other major ethnic groups in Hawaii in terms of higher education.

"Although underrepresented among the student population at Windward Community College (six per cent), University of Hawaii at Hilo (five per cent), and University of Hawaii at Manoa (eight per cent), Filipino student representation is more substantial on the following campuses: Hawaii Community College (13 per cent), Honolulu Community College (21 per cent), Kapiolani Community College (14 per cent), Kauai Community College (23 per cent), Leeward Community College (26 per cent), Maui Community College (18 per cent), and the University of Hawaii at West Oahu (14 per cent).

"A significant issue for Filipino students and the Filipino community is the availability and stability of curriculum offerings in the Philippine languages, as well as course offerings on Filipino-American ethnic and Philippine studies. The three major Philippine languages that are prevalent in Hawaii are Filipino, Ilokano, and Cebuano. There is an important need to increase the representation of Filipino students and professionals trained in the Philippine languages and cultures who can work in the area of education, health, legal services, and commerce. Offering courses in the Philippine languages and cultures on University of Hawaii campuses will increase academic interest and student success. Providing these educational opportunities at the various campuses is consistent with the University of Hawaii's strategic plans and is responsive to state needs.

"The University of Hawaii boasts the largest number of students on any United States college campus enrolled in a Philippine language course, and the University of Hawaii at Manoa is the only institution that offers a Bachelor of Arts degree in the languages and literature of the Philippines. Leeward Community College offers Philippine studies courses, and Kapiolani Community College offers lectures on

Philippine languages. However, Filipino students and community leaders have expressed concern that these courses are not offered on many of the University of Hawaii system campuses.

"There has been strong interest at Kauai Community College and Hawaii Community College to have language courses taught onsite and complemented by online instruction. In addition, the University of Hawaii at Hilo is also interested in offering Philippine-related courses. Filipinos at the University of Hawaii at West Oahu have expressed interest in Hawaii ethnic studies and service learning courses. Expertise is available at the University of Hawaii at Manoa campus to assist in developing the curriculum of these language courses, as well as Philippine courses and ethnic studies and service learning opportunities.

"Funding is needed for partnerships between student affairs units working with recruitment and retention issues and academic units that can offer Philippine language courses and ethnic studies and service learning projects, as well as for the development of partnerships with the public schools, other University of Hawaii campuses, community groups, and government agencies.

"The Oahu Filipino Community Council, Filipino American Citizens League, Nursing Advocates & Mentors, Inc., Congress of Visayan Organizations, Hawaii Interpreter Action Network, National Federation of Filipino American Associations Region XII, United Filipino Council of Hawaii, Philippine Nurses Association-Hawaii, Filipino Coalition for Solidarity, UNITE HERE! Local 5, and several concerned individuals testified in support of this bill.

"Not only is it important to recognize the efforts of all those who sacrificed and contributed to crafting our State, but institutionalizing their knowledge so that future generations may learn of their achievements is equally vital to the health and well-being of all of Hawaii's cultures.

"For these reasons, I strongly support this measure."

Representative Karamatsu's written remarks are as follows:

"I rise in support. I believe we need to have curriculum offerings in the Philippine languages, as well as course offerings on Filipino-American ethnic and Philippine studies in the University of Hawaii system.

"The three major Philippine languages that are prevalent in Hawaii are Filipino, Ilokano, and Cebuano. There is an important need to increase the representation of Filipino students and professionals trained in the Philippine languages and cultures who can work in the area of education, health, legal services, and commerce. Offering courses in the Philippine languages and cultures on University of Hawaii campuses will provide educational opportunities at the various campuses and support our State's needs. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3398, HD 3, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN LANGUAGE PROGRAMS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 785-08) recommending that H.B. No. 2271, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2271, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST CASTLE MEDICAL CENTER AND ITS AFFILIATES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 793-08) recommending that H.B. No. 2698, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2698, HD 3, entitled: "A BILL FOR AN ACT RELATING TO COURT-APPOINTED COUNSEL AND GUARDIANS AD LITEM IN FAMILY COURT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 796-08) recommending that H.B. No. 2917, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2917, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 797-08) recommending that H.B. No. 2955, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2955, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ARCHAEOLOGICAL DATA," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 799-08) recommending that H.B. No. 2228, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2228, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 803-08) recommending that H.B. No. 2939, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2939, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tsuji's written remarks are as follows:

"In support. The purpose of this bill is to support the building of an aerospace industry in Hawaii by continuing to provide funding for the Pacific International Space Center for Exploration Systems (PISCES).

"PISCES will strengthen the University of Hawaii as a center of excellence for aerospace-oriented education in science, technology, engineering and mathematics - the fundamental STEM disciplines. In addition PISCES could expand tourism opportunities as space exploration captures the imagination and interest of the international public, and also help establish our State as a vital resource for the planning, development, and implementation of future space exploration missions.

"PISCES' goal is to be completely self sustaining over the next three to four years. However, in order to achieve this, the Center needs continued State support during this critical period in its

development. The funding requested through HB 2939 will provide sustained staff support for PISCES, enable logistical support for the annual PISCES conference and student design competition, and develop grant proposals for continued NASA funding, among other goals.

"PISCES' focused efforts on potential careers in science, technology and space offers a unique opportunity to Hawaii to be on the cutting edge of technological advances in aerospace development, and should be supported."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2939, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AEROSPACE DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 804-08) recommending that H.B. No. 3085, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3085, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 805-08) recommending that H.B. No. 3348, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3348, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 807-08) recommending that H.B. No. 2242, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2242, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Meyer voting no, and Representatives Nakasone, Souki and Takai being excused.

Representatives Herkes and Waters, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 808-08) recommending that H.B. No. 2253, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2253, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AMENDING OR REPEALING VARIOUS PROVISIONS OF CHAPTER 281, HAWAII REVISED STATUTES, INTOXICATING LIQUOR, FOR THE PURPOSE OF CLARIFYING LANGUAGE, CORRECTING ERRORS, AND DELETING UNNECESSARY AND OBSOLETE PROVISIONS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 875-08) recommending that H.B. No. 524, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 524, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD WELFARE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 877-08) recommending that H.B. No. 3331, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3331, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 878-08) recommending that H.B. No. 2735, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2735, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 880-08) recommending that H.B. No. 2797, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2797, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE KALOKO HOUSING PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 882-08) recommending that H.B. No. 3059, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3059, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOW-INCOME HOUSING TAX CREDITS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 883-08) recommending that H.B. No. 3139, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3139, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE FIRST-TO-WORK PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 885-08) recommending that H.B. No. 2412, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 886-08) recommending that H.B. No. 2576, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2576, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 888-08) recommending that H.B. No. 2004, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2004, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 890-08) recommending that H.B. No. 2330, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2330, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC VEHICLES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 895-08) recommending that H.B. No. 3151, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3151, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC PERMITTING FEES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 897-08) recommending that H.B. No. 509, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 509, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu's written remarks are as follows:

"I am in support. I want to thank Speaker Emeritus Joseph M. Souki for inserting the language for this bill in one of his short form bills available to Chairpersons. I made the request on behalf of a concerned citizen.

"This bill would prohibit a towing company from charging the owner of a vehicle hooked up for towing if the owner of the vehicle appears on the scene. Currently, a towing company can charge the owner of a vehicle if it is hooked up.

"In the case of a difficult hookup, meaning an above or below ground hookup in a multilevel facility, a towing surcharge of \$30 shall be applicable. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 509, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 900-08) recommending that H.B. No. 3109, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3109, entitled: "A BILL FOR AN ACT RELATING TO DISPENSING OPTICIANS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 901-08) recommending that H.B. No. 2810, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2810, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tsuji's written remarks are as follows:

"In support. This bill seeks to support agriculture by, among other things:

- (1) Requiring water rates for farming operations to be established by agreement between the farming operation and the water supplier; and
- (2) Requiring the Public Utilities Commission (PUC) to establish just and reasonable water rates if the farming operation and water supplier fail to agree on the rate.

"As our agricultural industry transitions and the irrigation systems that once serviced large mono-crop industry begin to service other smaller farm operations, it is important that affordable and reasonable agricultural rates are provided.

"Current amendments to this bill include provisions to:

- (1) Authorize the PUC to establish preferential rates for potable water used for agricultural activities in a public utility's service area;
- (2) Require public utilities, upon application and proof of qualification, to provide preferential rates for potable water used only for agricultural activities; and
- (3) Allow the preferential water rates to be subsidized by the water rates charged to other customers of the public utility.

"For further consideration it is suggested that applications for preferential water rates under this bill as amended should be determined within 180 days from the date of application. I encourage my colleagues to support this bill and allow it to move forward."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2810, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER RATES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representatives Herkes and Waters, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 902-08) recommending that H.B. No. 2559, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees

was adopted and H.B. No. 2559, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM UNCLAIMED PROPERTY ACT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 908-08) recommending that H.B. No. 2369, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2369, entitled: "A BILL FOR AN ACT RELATING TO THE AFTER-SCHOOL PLUS PROGRAM REVOLVING FUND," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 910-08) recommending that H.B. No. 1989, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1989, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in strong support of HB 1989. Opponents of this measure may say that House Bill 1989 creates another fund within the Office of Veterans Services. As the Office of Veterans Services testified however, their fund is designed and earmarked specifically for the Hawai'i State Veterans Cemetery.

"Mr. Speaker, we as a population need to move past the perception that our veterans only deserve consideration once they have passed on. The Veteran's Gift Trust Fund would be the repository that private individuals, the business community, and perhaps even the Legislature could allocate monies into as a small token of our appreciation. The money could then be used more generally for the respect and remembrance of those veterans who have passed and the care and support of those who remain.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1989, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 911-08) recommending that H.B. No. 2555, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2555, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in strong support of this bill.

"The Civil Air Patrol is the kind of organization that we should wholeheartedly support. From flying tsunami warning sorties, assessing natural disaster damage, assisting with drug eradication reconnaissance, conducting search and rescue, to running a successful youth leadership cadet program, this dedicated corps of volunteers needs only a small appropriation to cover their expenses. By providing resources to this kind of nonprofit organization, we are providing vital services to the State of Hawai'i -- for pennies on the dollar. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2555, HD 1, entitled:

"A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII CIVIL AIR PATROL," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 913-08) recommending that H.B. No. 2302, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2302, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 915-08) recommending that H.B. No. 3016, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3016, HD 3, entitled: "A BILL FOR AN ACT RELATING TO LAW ENFORCEMENT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 916-08) recommending that H.B. No. 3175, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3175, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL MARINE FISHING REPORTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 918-08) recommending that H.B. No. 2261, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2261, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Tsuji's written remarks are as follows:

"This bill would establish a loan program to provide financial assistance to farm producers involved in sustainable energy production.

"Farms, or agricultural lands, offer the natural resources and land to best pursue alternative energy farm production. Some farmers have access to natural resources on their land that can produce energy for the farm so that they can be either self-contained and/or less dependent on county power, and therefore reduce their power expenses. However, these farmers lack the financial assistance to carry out this innovative program that would allow them to further diversify their operations.

"Offering this agriculture loan program will reduce Hawaii's reliance on fossil fuels, decrease farm production costs, and create new business opportunities for farmers interested in alternative energy production."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2261, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 920-08) recommending that H.B. No. 2971, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 923-08) recommending that H.B. No. 2207, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2207, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DISASTER RELIEF," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 926-08) recommending that H.B. No. 1476, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1476, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 927-08) recommending that H.B. No. 1993, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1993, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 928-08) recommending that H.B. No. 2283, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2283, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TATTOO ARTISTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 929-08) recommending that H.B. No. 2888, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2888, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 930-08) recommending that H.B. No. 2047, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2047, HD 2, entitled: "A BILL FOR AN

ACT RELATING TO INDIVIDUAL DEVELOPMENT ACCOUNTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 932-08) recommending that H.B. No. 3058, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3058, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 933-08) recommending that H.B. No. 3403, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3403, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 935-08) recommending that H.B. No. 523, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 523, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 936-08) recommending that H.B. No. 2492, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2492, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Lee's written remarks are as follows:

"Mr. Speaker, I am in support of HB 2492 regarding Planned Community Associations.

"The purpose of this bill is to protect homebuyers by requiring property restrictions or conditions of use to be included in a seller's disclosure statement.

"By amending the definition of "disclosure statement" in Chapter 508D, Hawaii Revised Statutes, Section 508D-1, "Definitions" will clarify what the seller needs to disclose before the sale of a property.

"In particular, if the residential real property being offered for sale is in a planned community, the seller must prepare a disclosure statement for the buyer which includes the planned community declaration and association documents.

"This bill will help Hawaii's consumers purchase residential property with confidence that they are receiving all the information necessary to assist them in evaluating the potential purchase.

"I urge the members to support this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2492, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PLANNED

COMMUNITY ASSOCIATIONS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 939-08) recommending that H.B. No. 2020, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2020, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SMALL BUSINESS DEVELOPMENT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 941-08) recommending that H.B. No. 2795, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2795, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 942-08) recommending that H.B. No. 2009, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2009, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 943-08) recommending that H.B. No. 2543, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2543, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A SHOOTING RANGE IN WEST HAWAII ON THE ISLAND OF HAWAII," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 951-08) recommending that H.B. No. 1890, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1890, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR HEALTH CARE SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 952-08) recommending that H.B. No. 2727, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2727, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 953-08) recommending that H.B. No. 2306, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2306, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 954-08) recommending that H.B. No. 2605, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2605, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in strong support. This measure provides equity for National Guard members who reside in Hawai'i. Other states have recognized the commitment of these servicemen to the state and the country. Given our isolation from the continental United States, in the event of a major disaster or emergency the Guardsmen deployed here are the primary support to first responders. This measure would not only provide the recognition that National Guard members receive from other states; it would also come at a very minimal cost. Therefore, I ask my colleagues to support this measure.

"Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2605, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ARMED SERVICES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 955-08) recommending that H.B. No. 2763, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2763, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CHILDREN OF INCARCERATED PARENTS TASK FORCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 956-08) recommending that H.B. No. 2857, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2857, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 957-08) recommending that H.B. No. 2550, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2550, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Morita's written remarks are as follows:

"Mr. Speaker, I have concerns regarding this bill which increases the eligible customer-generator capacity from not more than fifty kilowatts to two hundred and fifty kilowatts in 2008, five hundred kilowatts in 2009 and one megawatt thereafter. During the 2001 Legislative Session, Act 272 established a true, single meter net-metering law with the maximum capacity set at 10 kilowatts. The measure took into careful consideration the subsidization of net-metered units by the Hawaii's ratepayer which was determined to be nominal to the ratepayer, possibly less than \$5 per year, per household, in order to promote the usage of renewable energy resources. The proposed increases in this bill have not gone through a thoughtful analysis to determine the fiscal impacts to Hawaii's ratepayers.

"Secondly, Hawaii's island grids are small and have unique challenges. As these proposed larger net-metered systems are utilizing unfirm renewable resources it will ultimately be the responsibility of the utility to provide a reliable source of power to the net-metered system. The cost of this reliability is paid for by the Hawaii ratepayer who may be asked to shoulder a larger burden of the cost to promote renewables than necessary.

"Given the analysis required to ensure that costs for reliable electricity is distributed among all ratepayers fairly and equitably, the Legislature gave latitude and direction to the Public Utilities Commission to determine future modifications to the net metering law. Therefore, I believe the correct arena for making changes to the net metering law should be the Public Utilities Commission."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2550, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 958-08) recommending that H.B. No. 2862, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2862, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WIND ENERGY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 962-08) recommending that H.B. No. 2757, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2757, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I stand in strong support of HB 2757 HD 2.

"The purpose of this bill is to ensure the continuation and strength of Hawaii's health care safety net.

"This bill would authorize the issuance of special purpose revenue bonds (SPRBs) in a total amount not to exceed \$40,000,000, for the purpose of assisting Hawaii Medical Center; and repeals the authorization to issue SPRBs on June 30, 2020.

"This bill would help the Hawaii Medical Center, formerly St. Francis Hospitals fund capital improvements, equipment, supplies, materials or working capital. This bill would provide the State with a strategic tool to enable hospitals to respond effectively to Hawaii's need for quality, affordable healthcare to its most under-served patients.

"Hawaii Medical Center West, formerly St. Francis Hospital West is the only major medical provider for the entire Leeward side of the Island. The Second City of Kapolei and the entire Leeward and Central Oahu areas are growing in population and Hawaii Medical Center plays a pivotal role in the provision of critical emergency and medical services for a very large area of Oahu. Its continued existence is vital to the people of West Oahu.

"One year ago, more than 100 local physicians came together to not only save the former St. Francis Hospitals but also to help perpetuate their charitable values. The Sisters' mission was to provide service to the poverty-stricken, poor and economically challenged for the State of Hawaii. However, even with its non-profit and tax-exempt status, St. Francis was in serious financial difficulty due to servicing this indigent patient population.

"When these Good Samaritan doctors assumed the management of the hospitals, they found the hospitals were in even worse financial shape than they had anticipated. HMC was forced to make hard decisions and difficult sacrifices to keep the hospitals going. They have worked long and hard to improve its operations and become more efficient.

"HMC is struggling to provide services to a large number of Medicare/Medicaid patients whose government reimbursement does not generally cover the cost of care. Currently, 70 percent of HMC's patients are Medicare/Medicaid and uninsured, a higher percentage than the other local hospitals are experiencing.

"HMC needs support for its efforts to remain solvent during this transition period – so they can continue to provide medical services to this underserved population. HMC is not only seeking to become more efficient, but is committed to reinvesting in its facilities, operations and services in order to serve this rapidly growing destitute patient population.

"The survival of Hawaii Medical Center is critical, as they service 8,000 in-patients for over 75,000 patient days annually. This does not include the thousands of outpatients that are also served annually and the unique services provided by HMC that other hospitals are not able to absorb. In addition, HMC employs over one thousand employees who contribute hundreds of thousands of dollars in federal and state income taxes that help support the economy of our State.

"Committed to the public interest, the Good Samaritan doctors took the ultimate step in purchasing the hospitals because they did not want to see our community lose these important institutions, nor did they want to deprive our patients of affordable healthcare. In addition, they did not want to see our community lose this organization's unique services that are based on the moral and ethical values of serving the poor and needy that had always been the mission of the Sisters of St. Francis.

"If they are going to solve the health care crisis that confronts our State and provide a safety net for the uninsured and the underinsured, it is going to take a bold vision, creative innovation and timely investment, both public and private. Nonetheless, establishment of a program to make or guarantee loans for construction or renovation of hospital facilities, acquisition of new medical technology and other uses, will help the State ensure that quality, affordable healthcare continues to be available to society's most vulnerable.

"It would give the State the tools it needs to ensure many of Hawaii's most vulnerable populations will continue to have access to healthcare. I sincerely believe that your support for such a program would be in the best public interest.

"Mr. Speaker, I urge my colleagues to support this worthy measure and ask for the authorization date of June 2020."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2757, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOSPITALS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 965-08) recommending that H.B. No. 2051, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2051, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION FOR FOSTER CHILDREN," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 966-08) recommending that H.B. No. 2816, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2816, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Awana's written remarks are as follows:

"Mr. Speaker, I stand in strong support for HB 2816, H.D. 2.

"The journey out of substance abuse is a long and arduous path. Clean and sober homes have become the last step in a series of programs to transition individuals back into the mainstream. The Department of Health had supported the intent, yet believed oversight should not be the responsibility of this agency.

"The premise of this bill resulted from constituent concerns surrounding these homes where there was virtually no oversight. When long time residents became concerned about 'new neighbors' moving into a once quiet neighborhood and causing havoc – loud music late at night, increased traffic in and out of roadways, fights breaking out during early morning hours, no one was able to assist.

"The City stated that it was not within their jurisdiction – go see the State. The State stated that it was not their responsibility – go see the City. Residents became increasingly frustrated.

"Testimony from the Department of Health stated that clean and sober homes should be treated like those homes where college students rent rooms. I beg to differ. This bill will help to monitor the on goings of those in treatment similar to those who reside in halfway houses. Overall this bill becomes a win-win situation for all concerned. The Department of Health will be able to ensure the safety of residents in clean and sober homes. This bill will help the neighborhood in where they live. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2816, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 967-08) recommending that H.B. No. 3399, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3399, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 346, HAWAII REVISED STATUTES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 968-08) recommending that H.B. No. 584, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 584, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 969-08) recommending that H.B. No. 2778, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2778, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 971-08) recommending that H.B. No. 2326, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2326, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 979-08) recommending that H.B. No. 3168, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3168, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT CONTRIBUTION RATES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 981-08) recommending that H.B. No. 3107, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3107, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support. Continuing our efforts to protect Hawai'i's real estate consumers, this bill will fill in the gaps and close loopholes in our owner-builder exemption laws.

"By explicitly requiring that all owner-builders use licensed subcontractors for any structural improvement requiring a county building permit, we will ensure that they receive the highest standard of service from the building trade industry, while also curbing much of the unlicensed contractor activity occurring in the State.

"Additionally, this bill requires that any home constructed or renovated by an owner-builder must have this fact disclosed to potential buyers. Through this, we will be protecting consumers and their right to make informed purchases. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3107, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OWNER-BUILDER

PERMITS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 982-08) recommending that H.B. No. 2139, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2139, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ANATOMICAL GIFTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 983-08) recommending that H.B. No. 2589, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2589, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SCRAP METAL," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 985-08) recommending that H.B. No. 3379, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3379, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 987-08) recommending that H.B. No. 2366, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2366, entitled: "A BILL FOR AN ACT RELATING TO THE ORGAN DONOR REGISTRY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 988-08) recommending that H.B. No. 2519, HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2519, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 991-08) recommending that H.B. No. 2441, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2441, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 995-08) recommending that H.B. No. 2376, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2376, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FIRE COUNCIL," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 996-08) recommending that H.B. No. 1823, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1823, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BICYCLE AND PEDESTRIAN SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 997-08) recommending that H.B. No. 839, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 839, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise to speak in favor of House Bill No. 839, House Draft 1. This measure would authorize an appropriation to survey and map all existing public access ways to shoreline areas throughout the State.

"In recent years, many of our citizens have found it much harder to access beachfront areas for recreational and other purposes. Although Hawaii's laws clearly identify the beach as a public trust resource, mechanisms are not in place to provide equally important protections to the paths, walkways, and trails that lead people to the beach. From high parking fees to no parking at all, private gates to shoreline shrubbery, poor signage to vacation rentals, beachfront resorts to military installations, access to Hawaii's beaches is in serious danger. As a surfer, I have experienced this personally and access once taken for granted in the 70s and 80s is no longer there.

"Yes, it is true that there are a host of regulatory regimes set up to avoid this unfortunate situation, running from federal and State laws to county ordinances, that have been reinforced by the highest courts of our land. But the situation persists and continues to worsen as evidenced by the number of bills introduced in recent years on this subject.

"According to Beach Access Hawaii, Oahu has only 89 beach rights of ways for over a hundred miles of coastline. The distance between these rights of way were measured. Beach Access Hawaii found that some of them were over a half mile apart, even though the county 'standard' as established by the City Department of Planning and Permitting provides that there should be public access every quarter mile of beach in "urbanized" areas.

"Your Committee on Finance received testimony that this problem is occurring throughout the State. At its October 5, 2006 Neighborhood Board meeting, residents of the East Honolulu communities of Aina Haina, Niu Valley and Portlock expressed their concerns that beachfront landowners along the shoreline from Portlock Road to Kahala were denying the public access to the beach with a planned gated subdivision, locked gates, and walls. As such, they voted unanimously to strongly oppose any development that would gate off the access to our beaches that had been traditionally used by residents, fishermen, and surfers. This is occurring on all islands, from South Point on Hawaii Island to Hanalei on Kauai.

"In West Maui, traditional access points have eroded and adjoining private property owners have planted hedges and fenced off adjacent

access points. In Paia, beachfront property owners have planted the shoreline with thorny bushes to scratch Paia Youth Center kids as they laterally access Baldwin Beach Park from the Youth Center.

"As you can see, this bill will greatly assist government agencies in the enforcement of laws intended to protect and preserve the public's right to access the beachfront areas. By appropriating funds to survey and map all existing public access ways to shoreline areas throughout the State, law enforcement agencies will be better able to find the access points that are blocked, identify the persons responsible, if applicable, and prosecute them to the fullest extent of the law. Only then will we truly preserve our peoples' right to access these important natural resources.

"For these reasons, I respectfully urge my 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 H.B. No. 839, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCESS TO BEACHES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 998-08) recommending that H.B. No. 935, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 935, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 999-08) recommending that H.B. No. 2401, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2401, HD 2, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST OCEANLINX HAWAII LLC," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1001-08) recommending that H.B. No. 2438, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2438, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1002-08) recommending that H.B. No. 3152, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3152, HD 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM BRANCH," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1003-08) recommending that H.B. No. 2272, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2272, HD 2, entitled: "A BILL FOR AN ACT RELATING TO QUALIFIED COMMUNITY REHABILITATION PROGRAMS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1004-08) recommending that H.B. No. 2168, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2168, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1006-08) recommending that H.B. No. 2825, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2825, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu's written remarks are as follows:

"I am in support. The development of clean electricity from a renewable and abundant resource, the sun, at a price lower than the market price and independent from oil price fluctuations will help Hawai'i become more self-sustainable and less reliant on fossil fuels. Sopogy, Inc. specializes in the development, manufacture, and distribution of its proprietary concentrated solar power systems that generate electricity.

"This bill would allow the issuance of \$35,000,000 in special purpose revenue bonds to assist Sopogy, Inc. in its planning, designing, construction, equipping, and operating of a solar farm power plant on the Island of Oahu. I am proud to see this Hawai'i company play a role in developing our renewable energy industry. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST SOPOGY INC., IN THE DEVELOPMENT OF RENEWABLE ENERGY ON THE ISLAND OF OAHU," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1007-08) recommending that H.B. No. 2518, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2518, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND CONSERVATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1009-08) recommending that H.B. No. 2710, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2710, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE RE-EMPLOYMENT OF RETIREES,"

passed Third Reading by a vote of 47 ayes to 1 no, with Representative Evans voting no, and Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1010-08) recommending that H.B. No. 3166, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3166, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1011-08) recommending that H.B. No. 2772, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2772, HD 3, entitled: "A BILL FOR AN ACT RELATING TO HUMAN TRAFFICKING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1012-08) recommending that H.B. No. 1988, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1988, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Herkes' written remarks are as follows:

"Mr. Speaker, I am in strong support of H. B. 1988 H. D. 1.

"Mr. Speaker, the macadamia nut industry, one of Hawaii's largest agricultural enterprises, is in big trouble. When C. Brewer owned and operated Mauna Loa Macadamia, they were processing about 36 million pounds of macadamia nuts per year. Under subsequent owners that amount is now down to about 15 million pounds per year, a difference of about 20 million pounds. Most of those 20 million pounds of nuts are lying on the ground and are worthless. Many of those nuts are from orchards owned by small farmers.

"Africa, specifically the Republics of South Africa and Kenya, are the number 2 exporter of nuts to the United States. They, along with Australia and South America make up much of the missing 20 million pounds.

"Many farmers are considering changing their fields from macadamia to coffee because of the strong prices of coffee. The lag in income, the drawbacks in mechanically harvesting the nuts due to the rocky terrain, and the cost of hand harvesting are cost prohibitive factors that would hurt many small family farms should they opt for such a conversion.

"Mac Farms in South Kona is laying off most of its workers, many of whom have been with the company for up to 19 years. These individuals have been advised that these layoffs could be for up to one year, effectively resulting in termination. Furthermore, these layoffs will have a devastating affect on the South Kona community.

"This piece of legislation provides for a Macadamia Nut Commission with a mandatory assessment on macadamia processors and producers to establish a working group to set a future plan to guide the industry. Among the elements to be pursued as legislation are Country of Origin, Truth in Labeling, and an anti-dumping investigation against the Republic of South Africa and Australia for consideration by both the State and Federal governments.

"The macadamia industry is in strong support of this bill and I ask Members for your unanimous support. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1988, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MACADAMIA NUTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1018-08) recommending that H.B. No. 1969, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1969, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1019-08) recommending that H.B. No. 2017, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2017, entitled: "A BILL FOR AN ACT RELATING TO VOCATIONAL REHABILITATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1023-08) recommending that H.B. No. 2704, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2704, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HA'IKU VALLEY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1031-08) recommending that H.B. No. 1616, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1616, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1040-08) recommending that H.B. No. 2693, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2693, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIAL SELECTION COMMISSION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

THIRD READING

H.B. No. 3305, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 3305, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS,"

passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2692, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2692, HD 1, entitled: "A BILL FOR AN ACT MAKING VARIOUS HOUSEKEEPING AMENDMENTS TO VOLUME 11 OF THE HAWAII REVISED STATUTES FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, AND CLARIFYING LANGUAGE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2691, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2691, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS: MAKING VARIOUS TECHNICAL AMENDMENTS TO THE HAWAII REVISED STATUTES FOR THE PURPOSE OF CORRECTING ERRORS AND REFERENCES, AND CLARIFYING LANGUAGE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2697, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2697, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INTERMEDIATE APPELLATE COURT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2138, HD 1:

Representative Caldwell moved that H.B. No. 2138, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu's written remarks are as follows:

"I rise in support. The first Saturday of November shall be known and designated as "Caregiver Recognition Day", in recognition of the very significant role that caregivers play in support of Hawaii's elderly and persons with disabilities.

"As used in the proposed legislation, "caregiver" means any person who has undertaken the care, custody, or physical assistance of an elderly or disabled person, including but not limited to compensated or uncompensated family members or other relatives, or any person who has the desire, or a legal, or contractual duty to care for the health, safety, and welfare of an elderly or disabled person, including owners, operators, employees, or staff of long-term care facilities and community home-based institutions. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 2138, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER RECOGNITION DAY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2361, HD 1:

Representative Caldwell moved that H.B. No. 2361, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Karamatsu's written remarks are as follows:

"I rise in support. This legislation will require the Department of Agriculture and the Department of Land and Natural Resources collaborate to identify public lands that should be designated important agricultural lands and prepare maps delineating those lands. The Department of Agriculture will manage, administer, and

exercise control over any public lands that are designated important agricultural lands, including, but not limited to establishing priorities for the leasing of these public lands within the department's jurisdiction.

"By classifying public agricultural lands as important agricultural lands, we will protect agricultural lands for the production of agricultural produce and other agricultural activities, which helps Hawai'i to be more self-sustainable. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 2361, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 3340, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 3340, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KAWAI NUI MARSH," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2611, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2611, HD 1, entitled: "A BILL FOR AN ACT RELATING TO IOLANI PALACE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2408, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2408, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE BROKERS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2591, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2591, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GIFT CERTIFICATES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2729, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2729, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BURGLARY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 3002, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 3002, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROSTITUTION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 3040, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 3040, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2907:

Representative Caldwell moved that H.B. No. 2907, pass Third Reading, seconded by Representative B. Oshiro.

Representative Takamine's written remarks are as follows:

"Mr. Speaker, I rise to speak with qualified support for this measure and with very serious reservations.

"Mr Speaker, I have such strong reservations about this bill, that I feel I will have to vote against it if the Senate does not adequately amend the measure to address my concerns. This bill is very vague regarding how the funding would be utilized and fails to detail what procedures would be followed and how those procedures would be developed.

"Mr. Speaker, my problems with this bill stem from similar legislative action that was taken by the Hawaii County Council. My objections relate to the manner in which the legislation was passed and how it has been implemented.

"At the heart of my concerns is that prior to passage of the legislation, the hunting community was not adequately consulted, nor was the hunting community included in a meaningful way, in its implementation. Members of the hunting community are some of our best and strongest conservationists and clearly could have played a central role in developing a solution. Because hunting has been associated with subsistence and putting food on the table, they had much to offer in terms of creating strategies or sharing insights.

"In bringing this particular measure before us today, I don't believe that the input of the hunting community has been seriously or meaningfully considered.

"Mr. Speaker, because I believe it to be essential that all of the important voices be part of the discussion I have grave difficulties with this measure. However, I realize that it is still early in the process, as we are not yet at the half-way-point of this legislative session and the Senate still has to scrutinize and approve this measure. Therefore, I will await the manner in which this measure is further discussed and modified."

The motion was put to vote by the Chair and carried, and H.B. No. 2907, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR FERAL PIG ABATEMENT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 3191, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 3191, 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 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 1898, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1898, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

H.B. No. 2260, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2260, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HAWAII ASSOCIATION OF CONSERVATION DISTRICTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

At 9:22 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1101, HD 2
 H.B. No. 2699, HD 1
 H.B. No. 3023, HD 2
 H.B. No. 2618, HD 2
 H.B. No. 1984, HD 1
 H.B. No. 2347, HD 1
 H.B. No. 2436, HD 2
 H.B. No. 2421, HD 2
 H.B. No. 2960, HD 2
 H.B. No. 2372, HD 2
 H.B. No. 2467, HD 2
 H.B. No. 2626, HD 1
 H.B. No. 3310, HD 1
 H.B. No. 3425, HD 2
 H.B. No. 2163, HD 2
 H.B. No. 2164, HD 1
 H.B. No. 2166, HD 1
 H.B. No. 2696, HD 2
 H.B. No. 3398, HD 3
 H.B. No. 2271, HD 1
 H.B. No. 2698, HD 3
 H.B. No. 2917, HD 2
 H.B. No. 2955, HD 1
 H.B. No. 2228, HD 2
 H.B. No. 2939, HD 2
 H.B. No. 3085, HD 2
 H.B. No. 3348, HD 2
 H.B. No. 2242, HD 1
 H.B. No. 2253, HD 2
 H.B. No. 524, HD 2
 H.B. No. 3331, HD 2
 H.B. No. 2735, HD 2
 H.B. No. 2797, HD 1
 H.B. No. 3059, HD 1
 H.B. No. 3139, HD 1
 H.B. No. 2412, HD 1
 H.B. No. 2576, HD 2
 H.B. No. 2004, HD 2
 H.B. No. 2330, HD 3
 H.B. No. 3151, HD 2
 H.B. No. 509, HD 2
 H.B. No. 3109
 H.B. No. 2810, HD 1
 H.B. No. 2559, HD 2
 H.B. No. 2369
 H.B. No. 1989, HD 1
 H.B. No. 2555, HD 1
 H.B. No. 2302, HD 2
 H.B. No. 3016, HD 3
 H.B. No. 3175, HD 1
 H.B. No. 2261, HD 2
 H.B. No. 2971, HD 1
 H.B. No. 2207, HD 1
 H.B. No. 1476, HD 1
 H.B. No. 1993, HD 1
 H.B. No. 2283, HD 1
 H.B. No. 2888, HD 2
 H.B. No. 2047, HD 2
 H.B. No. 3058, HD 1
 H.B. No. 3403, HD 2
 H.B. No. 523, HD 2
 H.B. No. 2492, HD 1
 H.B. No. 2020, HD 1
 H.B. No. 2795, HD 1
 H.B. No. 2009
 H.B. No. 2543
 H.B. No. 1890, HD 1
 H.B. No. 2727, HD 2
 H.B. No. 2306, HD 2
 H.B. No. 2605, HD 2

H.B. No. 2763, HD 1
 H.B. No. 2857, HD 2
 H.B. No. 2550, HD 2
 H.B. No. 2862, HD 2
 H.B. No. 2757, HD 2
 H.B. No. 2051, HD 2
 H.B. No. 2816, HD 2
 H.B. No. 3399, HD 2
 H.B. No. 584, HD 2
 H.B. No. 2778, HD 2
 H.B. No. 2326, HD 2
 H.B. No. 3168
 H.B. No. 3107, HD 2
 H.B. No. 2139, HD 2
 H.B. No. 2589, HD 2
 H.B. No. 3379, HD 2
 H.B. No. 2366
 H.B. No. 2519, HD 2
 H.B. No. 2441
 H.B. No. 2376, HD 1
 H.B. No. 1823, HD 1
 H.B. No. 839, HD 1
 H.B. No. 935, HD 2
 H.B. No. 2401, HD 2
 H.B. No. 2438, HD 2
 H.B. No. 3152, HD 1
 H.B. No. 2272, HD 2
 H.B. No. 2168, HD 1
 H.B. No. 2825, HD 1
 H.B. No. 2518, HD 1
 H.B. No. 2710, HD 2
 H.B. No. 3166, HD 2
 H.B. No. 2772, HD 3
 H.B. No. 1988, HD 1
 H.B. No. 1969, HD 1
 H.B. No. 2017
 H.B. No. 2704, HD 2
 H.B. No. 1616, HD 1
 H.B. No. 2693
 H.B. No. 3305, HD 1
 H.B. No. 2692, HD 1
 H.B. No. 2691, HD 1
 H.B. No. 2697, HD 1
 H.B. No. 2138, HD 1
 H.B. No. 2361, HD 1
 H.B. No. 3340, HD 1
 H.B. No. 2611, HD 1
 H.B. No. 2408, HD 1
 H.B. No. 2591, HD 1
 H.B. No. 2729, HD 1
 H.B. No. 3002, HD 1
 H.B. No. 3040, HD 1
 H.B. No. 2907
 H.B. No. 3191, HD 1
 H.B. No. 1898, HD 1
 H.B. No. 2260, HD 1

The Chair then announced:

"Members at this time please remember to let the Clerk know which House Bills on the Consent Calendar you will be inserting comments into the Journal, for or against. Basically, I think most comments will be for, since there are not too many noes on the Consent Calendar. This must be done before the adjournment of today's Floor session.

"Does everyone understand that? To submit your comments, the request for written remarks has to be submitted before the end of today's Floor session."

At 9:23 o'clock a.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 9:37 o'clock a.m.

At this time, the Chair announced:

"At this time, the Chair would like to note that we will be moving seven measures to the end of the calendar. So within this Ordinary Calendar, the Chair is saying to all of you that we will be moving seven measures to the end of the calendar."

The following measures were announced by the Chair:

Stand. Com. Rep. No. 876-08, H.B. No. 2350, HD 2
 Stand. Com. Rep. No. 947-08, H.B. No. 3367, HD 2
 Stand. Com. Rep. No. 1020-08, H.B. No. 2823, HD 2
 Stand. Com. Rep. No. 1039-08, H.B. No. 3440, HD 2
 Stand. Com. Rep. No. 1041-08, H.B. No. 466, HD 1
 H.B. No. 1758, HD 1
 H.B. No. 3041, HD 1

The Chair continued, stating:

"So those are the seven measures that will be deferred until the end of the calendar. Are we ready to move ahead to Unfinished Business?"

"Before we start Members of the House, the Chair would like to finish today's session by at least 4:30 or 5:00. Some of our colleagues will be attending tonight's meeting in Kahuku with the Governor and the community in addressing the Turtle Bay acquisition. So that is my goal, 4:30 to 5:00, if we can complete the people's work by that time so that Members can attend the Governor's meeting in Kahuku."

At 9:43 o'clock a.m., Representative Finnegan requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:47 o'clock a.m.

ORDINARY CALENDAR

UNFINISHED BUSINESS

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 744-08) recommending that H.B. No. 464, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 464, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. And thank you for that short recess. Mr. Speaker in regards to Standing Committee Report No. 744, I'm in opposition to this measure. Mr. Speaker what this bill does is, it requires recipients of State funding that provides sexual health education to provide medically accurate, factual information that is age appropriate, and includes education on both abstinence and contraception.

"Mr. Speaker, first of all I just don't believe that we should be cutting off State funding to non-profits wanting to provide abstinence-only sex education programs. I believe that in this State, we have two kinds of parents: parents that believe in abstinence-only programs; and parents that believe in sex education as a whole, which also includes medically accurate and age-appropriate.

"The difficulty that I have is that parents should have a choice on whether or not they want to have sex education, State funded or

federal funded, programs on sex education that contains either or both. And the options shouldn't be dwindled because we choose to mandate and put this requirement on State funding.

"I'm a parent of a teenage daughter and I'm really leery of those terms, 'medically accurate,' or 'age appropriate.' I know my daughter and I spend a lot of time speaking with her and guiding her through a very difficult time. That's a time that needs to be handled very carefully. So not allowing parents that option to have abstinence-only education is wrong.

"The other point about this bill that concerns me, and I hope it was an unintended consequence, this could affect a non-profit that provides a sex education program that is self-funded, but receives State funding for some other program that they have, like services for medically-fragile babies or outreach to homeless. This could jeopardize these programs and funding because of the way that bill is written. It says, 'requires recipients of the State funding in general.'

"Mr. Speaker, I hope that we take a look at this bill again and just realize that some people don't believe that you should give a map to having sex out of marriage, which sometimes that's how sex education is viewed. Thank you."

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

"Mr. Speaker, I rise in support. Very briefly, I just want to counter some of the claims being made by the Minority Leader. First and foremost, this only applies in the event that they are going to be providing sex education. And if they are, what we're saying is that they need to do so in a medically accurate way.

"Previously, and this bill has come up for several years and initially my thought was, 'Well if it's federal money and they're just going to give it to us, what's the real harm?' Because it's better that we get some money, because it's federal money. It's not necessarily our State money that's going toward this'. But after I looked at this recently, I've become more alarmed because the data shows that actually there is reason for concern.

"First and foremost, it's that these abstinence-only programs don't work. There've been two studies, one by the GAO, the Government Accountability Office, who has specifically found that most efforts to stress the effectiveness of abstinence until marriage education, and abstinence-only programs have not measured behavioral or biological outcomes.

"The second report also by a policy research group called Mathematica specifically found that there was actually no difference between the outcomes and findings in youth when they went through an abstinence-only program or necessarily got some information that was more medically accurate. Those things did not necessarily make a difference in terms of bringing down the rates of teenage pregnancy and their knowledge as to the risks.

"And in fact, the more alarming thing I think is that for the first time since 1991, we're we had a spike in teenage pregnancies, we've actually had a rise of 3 percent. This is the first time in over 15 years that there's been an increase in teenage pregnancy. Every year for 15 years, there's been a steady decline because we've been dedicated toward education, toward providing teenagers information so that they can protect themselves from the risks. But unfortunately due to the abstinence-only educational effort and push, that has suddenly changed.

"This is not only a national statistic. When I look at our State Data Book, what we see is since 1996 there's been a steady decrease, 6 percent, 3 percent, 1 percent, 5 percent. But in 2005 there was actually a 4.2 increase in teenage pregnancies, and in 2006 there was an actual 8.8 percent increase in teenage pregnancies. So the real question for us is: Is this acceptance of federal funds actually doing more harm? And I would say that the data shows that it does.

"Eleven states have already moved toward this effort in terms of questioning whether this is an appropriate approach. And so for those reasons I think it's appropriate that our State really take a serious look at this and not just take things on an anecdotal level, but actually look at the data and find whether medically accurate sex education is something that we need in order to prevent teenage pregnancies.

"Even if people, at the end of the day, want to be concerned about things like pro-life or pro-choice, that debate also is somewhat relevant because studies have found that the states that have the biggest decline in abortions, of the known abortions, are those states that have a commitment to real sex education. Those states are New York, New Jersey, Massachusetts, Illinois, California, Oregon, Washington State and the District of Columbia. So when we want to be looking at this from a holistic approach, and really how we want to be approaching this so that we can take care and make sure that we are doing things, not only evidence-base, but for all of our principles, then this is something we should be taking a serious look at. Thank you."

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

"Yes, just in rebuttal in opposition, Mr. Speaker. We can look at data in many different ways. Many people will come up with data that will refute that. The previous speaker said that one of the studies said that there was no difference between abstinence education and the sexually accurate education. So I'm saying just from that report alone, then why are we discriminating against the abstinence-only education.

"We talked about an increase in the last 15 years. I remember 15 years ago you could catch a City bus and there'd be ads about teen pregnancy and abstinence or contraception, there were ads on television. It was a national movement I know, 15 years ago. We're talking about it all the time, so perhaps those numbers are kind of skewed because we're not talking about it enough in a public setting, not just in the schools, but all over Hawaii and in the nation. So I think some of those numbers are not quite accurate.

"And on a religious point, I want to reveal I am Catholic, but I personally do not see a problem with sexually accurate education or abstinence education in my family. However, I'm increasingly concerned we are continually going after the beliefs of Catholics in this Legislature. Not only this particular bill, but also in a later bill that forces a Catholic hospital to serve what they believe is an abortion pill. Our Constitution of the United States of America gives us this great freedom of religion and the way that we're trying to force this type of education, on not just Catholics, but religious families, to me is wrong.

"We basically are saying to a parent that is religious, whether they're Buddhist or Mormon or Catholic or Protestant or other Christian, that them teaching their children abstinence-only education based on their religious beliefs, according to this Legislature is just wrong. And you know what? We're going to stick it to you. We're going to take away this abstinence-only education from the public setting. We're no longer going to give you that option because you don't have a right to teach your children abstinence-only education. And you know what? We're going to stick it to the federal government too, because we don't want their money, because we're going to force every child to believe what we want our children to believe."

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

"Mr. Speaker, I rise with reservations. Mr. Speaker I rise with the challenge of, 'Let's see what the data says.' And I would like to give this a slightly international perspective, particularly through the experience of Uganda.

"Uganda was experiencing almost 1 in 3 people having AIDS. They were going to experience a knockout of the workforce. Their population was going to dwindle. Basically the economy was going to sink. They put together a program, a combination of abstinence, condoms, and Mrs. Museveni, the wife of the President said, 'You need all of these. Don't 'pooh-pooh' the notion of abstinence working.'

"Uganda is now in the low-teens in terms of AIDS incidents, and it's lowering and it's continuing to lower. We don't have the problem in this country that others are suffering from, and other countries that have used abstinence. So if anyone doubts if abstinence works, look at Uganda. Ask Mrs. Museveni. Ask them how they actually went from decimating their population with AIDS, to getting it down. It was a combination. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in strong support. Thank you. I'd like to have the words of the speaker from Aiea adopted as my own. And what I would add to this conversation is that this bill is a bill that students across the State have spoken out in favor of.

"The Hawaii Secondary Student Conference brings students from across the State, from public and private schools, together to decide on issues they feel are important and significant to their lives. They worked very hard during their Annual Conference this past November and they voted unanimously in favor of extending the abstinence based sex education to add and include medically accurate, age-appropriate approach that includes both abstinence and contraception.

"I think when we hear from the students of our State, who know what other students are saying about this issue and know perhaps the ignorance that is among their peers, when they ask for medically accurate factual education, I think we should heed their call. Thank you, Mr. Speaker."

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

Representative Lee's written remarks are as follows:

"Mr. Speaker, I am in support HB 464 relating to Health – Sexual Health Education.

"This measure seeks to add an amendment entitled, "Section 2. Sexual health education; requirements" to Chapter 321, Hawaii Revised Statutes.

"It will require recipients of State funding that provide sexual health education to provide medically accurate, factual information that is age-appropriate and includes education on both abstinence and contraception. To facilitate the program, each item requirement has been defined.

"In July 2001, the U.S. Department of Health & Human Services released a comprehensive report called "The "Surgeon General's Call to Action to Promote Sexual Health and Responsible Sexual Behavior." The report cited research findings on the effectiveness of various program interventions and the importance of sex education.

"The report is based on scientific evidence and on principles of health promotion and disease prevention, and provides a basis for approaching these challenges. It cited research findings on the effectiveness of various program interventions and sex education. In recognition of these challenges, promoting responsible sexual behavior is included among the Surgeon General's Public Health Priorities and is also one of the "Healthy People 2010" Ten Leading Health Indicators for the nation. The Healthy People 2010 identifies

national public health priorities and objectives to be achieved over the next decade.

"This measure focuses on students to make mature and thoughtful decisions that promote healthy sexuality. A sexual education will provide students with the ability to understand and weigh the risks, outcomes and impacts of sexual actions and to practice abstinence when appropriate. When sexual behavior is exercised irresponsibly it can have negative aspects such as sexually transmitted diseases – including HIV/AIDS, unintended pregnancy, coercive or violent behavior. To enjoy the important benefits of sexuality, while avoiding negative consequences, some of which may have long term or even lifetime implications, it is necessary for individuals to be fully informed. To become sexually healthy, we must behave responsibly, have a supportive environment and protect our own sexual health, as well as that of others."

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

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. I am still in opposition with just short comments. This whole thing about government taking on the responsibility that parents used to have, or should have. I don't necessarily disagree with the ability to give information medically accurate or age-appropriate. But what about something that is lawful right now. Where would this fall under the sex education curriculum for someone who believes in abstinence only and they're taught, 'Oh well, you know. If you are sexually active, you can go to this particular clinic. They can give you birth control or a pill, or EC contraceptives, or these types of condoms, and you don't have to get permission from your parents.' Where do those types of things fall in regard to medically accurate, age appropriateness? I don't know, and that's why this concerns me.

"The other thing is we're worried about what kids think. Looking around the classroom and saying, 'You know this student and this other student, they really need it. And maybe I need it.' But what are we saying? I would like to hear what parents are saying. Parents are responsible for these kids all the way up until they're 18 years old. I'm very hesitant about negating or passing on that parental responsibility to government. Thank you."

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

"Thank you. I am simply in opposition as I am in support of parents' rights for their children."

Representative B. Oshiro rose to respond, stating:

"Mr. Speaker, still in support. I just wanted to make one point of clarification. A previous speaker said that we seem to have this intent of 'sticking it' to certain religious groups. I find that very offensive, because if we can have an educated debate about data and statistics and what is the right policy approach for our Legislature and our State, that is entirely appropriate. But I think saying that we have this intent of trying to 'stick it' to certain religions, that we're out for them, that we don't agree with their agenda, I find that very offensive and I strongly disagree with that and that characterization.

"If they have data and they want to argue about data and evidence, bring it forward. Bring it on. Thank you."

Representative Pine rose to respond, stating:

"I just want to apologize to the previous speaker for offending him. But Catholic Charities Hawaii has been repeatedly offended themselves. They are given federal funds to operate abstinence-only education. We already have a lot of sexually accurate education going on and they just want to offer a different point of view for

those families that would like to pull their children out of those other programs because of their religious beliefs.

"People don't believe in God based on data. They believe in God based on faith and it is one of the most difficult things to understand for people who are not religious. So I think we should just look back on our Constitution of the United States of America and respect those religions because they are quite frankly, offended."

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

"I want to comment Mr. Speaker, in support. Mr. Speaker I support this bill because it will mean fewer abortions, and I think that's a really good thing. We're going to empower our young women to make good decisions. So I support this bill because I think that's really where we should be heading. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 464, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Ching, Finnegan, Meyer and Pine voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 746-08) recommending that H.B. No. 2346, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2346, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"On Stand. Com. No. 746, I'd like to submit comments in support, but comments just pointing out again that it does have an impact on the Department of Public Safety."

Representative Evan's written remarks are as follows:

"Mr. Speaker, I support HB 2346 with reservations because this bill increases penalties and does not include language to determine the potential financial impacts to the Department of Public Safety and their staff."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2346, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENDANGERING THE WELFARE OF A MINOR," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 748-08) recommending that H.B. No. 2450, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2450, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, I'm rising in opposition to this measure. House Bill 2450 requires any reclassification of land contiguous to the agricultural district to the urban or rural district to contain a condition prohibiting non-agriculture development within 300 feet of the property line bordering any agricultural parcel used for farming operations.

"This bill is really unnecessary as the State Land Use Commission already has the authority to strengthen the existing protections on a case by case basis where warranted through the imposition of conditions. It would be in the State's best interest to instead require the reclassification of lands next to an agricultural district. This would carry an acknowledgement of the agricultural activities to be expected in abidance of the Right to Farm Act.

"But also another problem I have with the bill is that it takes away without compensation, the full use of 300 feet of property after the Land Use Commission reclassification and/or county change of zone. Even if just a small part of a parcel is being used for farming operations on the *makai* end of the property, the zone would extend to the *mauka* end as well even though the actual farming activity may be thousands of feet away. This poses the potential of hurting our State's small agricultural businesses.

"This bill may also have an affect on the City's proposals for a rapid transit program as the bill's definition of development includes infrastructure intended to serve residential, commercial or industrial development.

"In closing Mr. Speaker, this bill could make government liable for partial takings, allowing adversely affected properties eligible for compensation, potentially harming our agricultural industry and preventing growth of a modernized Hawaii. Thank you, very much."

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

"Mr. Speaker, can I have a blanket ruling on a conflict of interest for this and other measures. I live on an agricultural subdivision," and the Chair ruled, "no conflict."

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

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

"Thank you, Mr. Speaker. Could you note my reservations for Stand. Com. No. 748 for the same reasons as the Representative from Kahaluu."

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

"Thank you, Mr. Speaker. My reservations also please, for the same reasons as were enunciated by the Minority Floor Leader. Mr. Speaker, and just brief comments. I'm not a rail supporter, as you know. I don't think that's a sensible thing to do. But when you take a look at what this bill could do for any rail stations that happen to be placed by an agricultural parcel, that's going to really create a problem. And I don't know if everyone has thought this through from an Oahu island perspective. Thank you."

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

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

"Reservations for the same reasons."

Representative Marumoto 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.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2450, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives

Marumoto and Meyer voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 749-08) recommending that H.B. No. 2997, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2997, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'd like a ruling on a potential conflict. In my private law practice, I represent design professionals," and the Chair ruled, "no conflict."

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2997, HD1. This bill limits a design professional's liability to no more than that percentage share of damages attributable to the design professional for tort claims relating to the maintenance and design of public highways, except when the design professional's degree of negligence is 25% or more. This bill further clarifies what a design professional is by clearly delineating that a design professional is a professional engineer, architect, surveyor, or landscape architect.

"Anyone who is familiar with the construction industry understands that when there is a claim for defects in any project, there are two types of allegations: (1) claims for construction defects; and (2) claims for design defects. Unfortunately, in many lawsuits involving claims for construction defects, the design professionals are brought into the lawsuit not because of allegations pertaining to design defects, but because design professionals have insurance which can be used towards the cost of settlement, regardless of that design professional's liability.

"Under the legal concept of joint and several liability if a party or individual is found liable, regardless of the percentage of liability attributable to that party or individual, liability will occur. This results in a design professional paying well beyond the percentage of damages attributable to them. The economic risk discourages design professionals from working on projects, including public and highway road projects, thereby limiting the pool of available design professionals willing to work on these projects.

"This bill balances these concerns along with the interests of injured parties by providing that design professionals found to be less than 25% at fault in these types of tort cases will be responsible only for the percentage attributed to them. It is fair and equitable because it allows liability to be placed on the design professional where appropriate while providing for fairness in allocation of risk.

"For these reasons, Mr. Speaker, I rise in support of HB 2997 HD1."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2997, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TORTS," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Berg, Nishimoto and Sonson voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 750-08) recommending that H.B. No. 3011, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3011, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise with reservations and some comments please. Thank you. On Stand. Com. Report 750, I do have reservations. In this last Committee there was no testimony submitted on this bill. It looks like there will be an ignition interlock system in the near future and having this system would negate the reasons for this bill, or the underlying law, as a matter of fact. But changing the phrase from, the applicant is completely dependent on the motor vehicle for the necessities of life, to just the applicant is dependent on the motor vehicle for the necessities of life, will most likely mean that all applicants would be approved.

"A DUI is serious, and unfortunately a DUI does not only affect the person drinking, it affects the universe around them, as we know, innocent lives are being taken because of driving under the influence. What this bill is trying to get at, I think is reasonable, but in light of what's going on in regard in ignition interlock system if it's only going to be a couple years, we're making the Judiciary in their testimony basically create another guidance system to approve these applications. And even at that, it would most likely increase a lot of those applications and we won't really have the ability to say no to them. Thank you, Mr. Speaker."

Representative Meyer 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 H.B. No. 3011, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REGISTRATION," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Brower voting no, and Representatives Nakasone, Souki and Takai being excused.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 753-08) recommending that H.B. No. 2553, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2553, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Yes, I just want to stand with some reservations. I thought this was a really good idea in the Judiciary Committee, but it did get some testimony from an Ewa Beach 'buy and sell' just relating the practical implications to their business. This is a really, really small pawn shop. They don't make a lot of money. It is two retired veterans who are just making a living to get by.

"They said that basically this would really hurt their business. We're talking about being in business for 20 years and less than 1/10 of 1 percent of the items have been picked up by the police. So in other words, you only make, out of \$25, 5 percent interest back then. If you add \$1.50 plus \$1.04 in the general excise tax, plus \$.06 for each transaction, the total is \$2.60 which leaves them a profit margin of \$2.40, which basically would really cut all their business that they're making now in half.

"They don't own a computer Mr. Speaker, because they are two retired, elderly veterans and this bill would require them to buy a computer so that they can do these electronic reportings to the police. So for those reasons Mr. Speaker, I think we should make exceptions for some of these smaller businesses. So I will just vote with reservations."

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

"Mr. Speaker, could you also note my reservations and short comments. I believe that the police need tools like this to identify property criminals, one of the most difficult crimes to solve. But pawnbrokers are businesses too. And if we are to move in this direction, if we could give some transition time for these businesses, that would be helpful. Thank you."

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

"Mr. Speaker, I have the same reservations as the previous speakers. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2553, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PAWNBROKERS AND SECONDHAND DEALERS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 755-08) recommending that H.B. No. 2224, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2224, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support, but with some reservations on this measure. House Bill 2224 would allow part-time employees to get health coverage, but they would have to pay their own premiums.

"My concern was pointed out by Kaiser Permanente in their testimony where they said these kinds of voluntary pools historically result in higher premiums because of adverse selection. The part-time employees that make the choice to pay for this, more than likely have health problems that they're concerned about. This bill could cause all the premiums for healthcare to go up, both the full-time and part-time employees. This bill could also be the incremental start of mandating healthcare for part-time employees who only work 15 hours a week, and that's a concern to me. Thank you."

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

"Mr. Speaker, I just wanted to vote with reservations and just explain a little bit further. Can I adopt the comments of the previous speaker?"

"Let me use VEBA as a comparison. With VEBA, it's historically known that teachers are a better risk. With that better risk they have better premiums and more benefits. It's similar in regard to what will happen, or you can foresee by adding part-time employees with the ability to voluntarily join because those who would like to have insurance and have not so good health, would probably make that choice to buy the insurance coverage, which in turn will affect the pool. I just wanted to put a little bit of an example in there. Thank you."

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

"Thank you, Mr. Speaker. In support. I find it very hard to listen to people say that we really don't want to insure people and give them

extra options for insurance, especially when they're sick because that's just what came out of two Representatives' mouths.

"We're a society and we're going to pay for this one way or another. If we don't insure people, part-time workers, they're going to end up in our emergency rooms. The emergency rooms have very high costs. The hospitals don't get paid and the taxpayers pay it.

"We have to increase our supplement. It's just an impractical way to take care of people. We should insure everyone, and anything that increases insurance for our part-time workers, or our uninsured has my support. Thank you, Mr. Speaker."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. That was extreme. I don't think I said that, Mr. Speaker. So in rebuttal to that, how about if I say to the previous speaker that, 'Why don't we just raise the insurance costs for all of our families,' because that's what the previous speaker mentioned.

"No, Mr. Speaker. If you take a look at what we are talking about, it's about genuine concerns coming from people who are speaking in these Committees that deal with insurance. And yes, I do have reservations because increasing costs for families is a very important issue. Many people, families that I speak of right now, discretionary budgets are going very much down. There is no play money. So any increase in insurance costs is going to be a lot for a family, and that's what I'm talking about. Thank you."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. Hawaii is the only State in the nation that has mandatory healthcare. The Hawaii Prepaid Healthcare Act and it was enacted back in the 70s. The way the wording was in there, part of the bill sounded like they expected a 50-50 sharing where the employee would pay 50 percent and the employer had a cap on, how much of the employees' wage, a percentage of that that they could pay. So in Hawaii today, most small businesses, private businesses are paying 100 percent of the premiums for their employees. This is a real big expense and personally, I'm going to add, a disadvantage with small business people in other states.

"Our small business owners are struggling with this and now we want to add a whole other group in there. You have to have some realistic way of looking at this. Yes, healthcare is important, but there's a lot of things people can do to take care of themselves. Part-time workers are either young, or they may be retired and they have other coverage. I think we should be very careful in what we're doing here. Thank you, Mr. Speaker."

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

Representative Evans's written remarks are as follows:

"Mr. Speaker, I support HB 2224 with reservations. This is a good idea in theory, but in practice it may impact those who this bill is trying to help.

"In my district, constituents have told me they have many part time jobs because employers are hiring below the threshold of hours worked in a week in order to avoid the law which requires employers to provide health insurance. HB 2224 lowers the hours worked to require the employer to provide health insurance. Hopefully employers will not cut back on hours in order to avoid the cost.

"Speaking of cost, if this bill is to become law, I'm concerned that small businesses may have a difficult time absorbing additional costs of healthcare insurance for their employees. Hawai'i depends on small businesses to provide employment and generate revenue.

Small businesses are essential to our economy and we must support the economic viability of small businesses."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2224, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 756-08) recommending that H.B. No. 2887, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2887, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I just wanted to register my slight reservations on Stand. Com. No. 756 in that the Committee Report says, 'However this bill would allow *Kahuna Kakau* to these procedures, equipment and dyes that are inconsistent with health standards and consequently rules the safety issues that warrant further consideration.' That is my concern."

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

"Thank you, Mr. Speaker. I rise in strong support. House Bill 2887, HD 1, Relating to Native Hawaiian Tattooing is an extremely important bill Mr. Speaker, especially to the Native Hawaiian community. It acknowledges the rights of Native Hawaiians and their practitioners to continue with the tradition that extends back for hundreds of years.

"Earlier concerns surrounding a death that took place from a Samoan tattooing was brought up in a previous hearing. First I would like to state that the practice of Samoan tattooing has many differences than that of our Native Hawaiian counterparts. Native Hawaiian tattooing has had zero instances of death, zero instances of Hepatitis and zero instances of infection. Tools are sterilized in the Native Hawaiian tattoo process, and tattooing is practiced in a clean and safe environment.

"Although issues arose with the Department of Health, a recent meeting with all parties brought everyone closer together. We will continue to work on making this bill a stronger one with the help of my colleague as we move this bill forward. Thank you, very much."

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

"Thank you, Mr. Speaker. I stand in support of Stand. Com. Rep. No. 756. Thank you. May I have the words of the outstanding Representative from Nanakuli entered into the Journal as if they were my own?"

"Mr. Speaker, may I proceed with a short statement in support of this measure. *Kahuna Kakau* is an expert in the cultural practice and application of traditional Hawaiian tattooing. Traditional Hawaiian tattooing is part of the Hawaiian culture. As with the hula and the Hawaiian language, *Kakau* should be recognized as a significant cultural right in Hawaii today. Thank you, Mr. Speaker."

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

"In support, and may I have the words of the Representative from Nanakuli entered into the record as if they were my own? And just a real brief comment for some historical perspective.

"I actually introduced this bill last year after going to the Sam Ka'ai Festival in Maui, honoring him, where a Native Hawaiian tattoo practitioner with tears in eyes basically asked us to come up with something as a compromise so that they can pass on this art form to future generations. Because when people, the very few, very few experts who pass on now are gone, it is going to go into the history books.

"This body has made exceptions for Native Hawaiian indigenous architecture with housing, and I think that the Representative from Nanakuli has worked with both the Department of Health and the practitioners themselves and I think this bill strikes a good balance. It basically will keep the Charlatans and the pretenders out, and allow the DOH to go after them while still creating a venue for the proper practice, and more importantly, education of this art form and keep this very important cultural practice alive. Thank you, very much."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2887, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TATTOOING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 758-08) recommending that H.B. No. 2255, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2255, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIFE INSURANCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

At 10:24 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 464, HD 2
 H.B. No. 2346, HD 2
 H.B. No. 2450, HD 1
 H.B. No. 2997, HD 1
 H.B. No. 3011, HD 1
 H.B. No. 2553, HD 2
 H.B. No. 2224, HD 1
 H.B. No. 2887, HD 2
 H.B. No. 2255, HD 2

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 759-08) recommending that H.B. No. 2367, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2367, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Souki, Takai and Takamine being excused.

Representatives Ito and Tsuji, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs and the Committee on Agriculture presented a report (Stand. Com. Rep. No. 760-08) recommending that H.B. No. 2503, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2503, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising to speak against House Bill 2503, the agricultural energy facilities measure. Thank you. Mr. Speaker what this bill will do is permit the use of lands in agricultural land use districts to be used for agricultural energy facilities.

"At first glance that sounds like a good idea, but the problem is that this can go a number of ways. One impact can be that our effort to become self-sustainable and grow our food for our tables will be displaced by farmers wanting to grow maybe higher value crops for energy production.

"The larger concern is the climate change impact. I received information from Life of the Land, which I'm going to paraphrase, but I think it's very important for us to note. An intergovernmental panel on climate change is estimating a 39 inch rise in sea levels this century. By the end of this century, and this is important to my Windward colleagues from the 49th and the 51st districts, by the end of the century, Kawai Nui Marsh will be oceanfront property. All that will remain of Kailua town will be a few sand dunes and hills. And for those on the other side of the island, most of Waikiki and Kapiolani Park will be submerged.

"Fossil fuels have received most of the blame for climate change, but as more information is obtained, we're finding that agricultural energy projects have both positive and negative impacts and may all have environmental climate impacts. Biofuels can go both ways and the problem is that House Bill 2503, HD 1, doesn't make that distinction. It just assumes biofuels are great. Let's go ahead and have government support for these.

"But you take a look at some of the information that we've been receiving. The well-respected *Journal on Science* talks about the use of U.S. croplands for biofuels increases green house gases through emissions from land use changes. And then they go on to note how some double the green house gas emissions and increase them for 167 years. Other crops will increase emissions by 50 percent. In other words, this is a road that we really should examine much more carefully before we go ahead with it.

"We're really very vulnerable, Mr. Speaker. We're an island state and if we don't go ahead with the objectives of our Act 234 from last Session to get a grip on this and to get a handle on it, we could be doing some major damage right here in Hawaii and also globally while having our food still being imported from the Mainland or other places because we won't be growing it here in Hawaii.

"So I'm voting no on this bill and also on a later bill Mr. Speaker, that's a biodiesel bill that appears later on the Order of the Day. I really, really ask my colleagues to look at this more carefully. I think it's not the best way to do it, I'd like them to consider it and see whether they feel we should just go a little bit more slowly and take a more serious look at what is being found nationwide and internationally. Thank you."

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

"Thank you, Mr. Speaker. I rise in support of this measure. You know, here in Hawaii we don't have too much of a problem with food competing for energy crops primarily because the amount of fallow agricultural lands that we have. An important component to this is the Bioenergy Masterplan which the State is taking up. In that plan, careful evaluation is being made to energy inputs and energy outputs as we develop bioenergy crops.

"So this bill is really looking at how we can support our agricultural industries better with the incorporation of renewable energy to assist agriculture rather than to compete with agriculture. I

have additional comments that I'd like to add to the Journal. Thank you."

Representative Morita's written remarks are as follows:

"Mr. Speaker, I would just like to address some of the concerns and objections to this measure that were raised during the Floor debate. First of all, some of the objections focused on the growing and processing of biofuels. The growing and processing of biofuels is an outright allowable use on agricultural lands. What this measure attempts to clarify is that a renewable project, such as a solar project, that is integrated within an agricultural enterprise shall be an allowable use.

"The purpose section of this measure states that increased energy efficiency and use of renewable energy resources would increase Hawaii's energy self-sufficiency, achieving broad societal benefits, including increased energy security, resistance to increases in oil prices, environmental sustainability, economic development, and job creation.

"To shape Hawaii's energy and agricultural future and achieve the goal of energy and food self-sufficiency for the State, our efforts must continue on all fronts, integrating new and evolving technologies, seizing upon opportunities to become more economically diversified, and providing incentives and assistance to address barriers. It is crucial to address the negative impacts that rising and volatile petroleum prices have on fuel and fertilizer costs.

"The other objection that was raised is biofuel crops will compete with food crops. While this might be the case in some parts of the nation, this surely is not the case in Hawaii where thousands of acres of agricultural lands lie fallow at the present time. Like I mentioned in the Floor debate, how we plan for our agricultural bioenergy future is an important strategy that must be carefully planned, therefore the bioenergy master plan initiated by the Legislature last year is a critical component to this discussion. One of the objectives of the master plan is to ensure that energy crops will not be pitted against food production as both energy and food self-sufficiency are equally important goals for Hawaii's residents."

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

"Mr. Speaker, brief comments in support. And I would like to add the comments from the speaker from Hanalei as if they were my own. Briefly Mr. Speaker, to emphasize what the speaker from Hanalei has stated, in Hawaii you have vast acreage of former cane land that sits fallow. And instead of being turned into agricultural lands to grow energy or food, they are being turned into subdivisions. You see that most recently on Maui by Maalaea, with lands there sought to be rezoned up until very recently were productive agricultural lands.

"This bill is about incentivizing owners so that they can start growing energy crops and allowing facilities to be near where they are growing those crops. We can do nothing, Mr. Speaker. We can sit back and let it sit as it is today and be 94 percent dependent on fossil fuel. This is action taken to try to address that problem and until we use our agricultural lands for other things than growing food, we can then worry about how much food we're going to grow. But to sit there and let it lie fallow, and let it turn into other types of developments is a tragedy that I don't think any of us want to live through. Thank you."

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

"In support. I'd just like to point out that the total acreage devoted to the agricultural activity shall not be less than 90 percent of the total agricultural energy enterprise. I'd just like to highlight that point, and I'd also like to enter written comments."

Representative Karamatsu's written remarks are as follows:

"I rise in support. This bill would allow agricultural-energy facilities on agricultural land use districts provided that the primary activity of the agricultural-energy enterprise is agricultural activity. "Agricultural-energy facility" means a facility that generates, stores, or distributes renewable energy or renewable fuel including electrical or thermal energy or liquid or gaseous fuels from products of agricultural activities from agricultural lands located in the State.

"It is important that we increase energy efficiency and the use of renewable energy resources to increase Hawaii's energy self-sufficiency so that we can achieve broad societal benefits, including increased energy security, resistance to increases in oil prices, environmental sustainability, economic development, and job creation. To shape Hawaii's energy and agricultural future and achieve the goal of energy and food self-sufficiency for the State, our efforts must continue on all fronts, integrating new and evolving technologies, seizing upon opportunities to become more economically diversified, and providing incentives and assistance to support agriculture and renewable energy. Thank you."

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

"Thank you, Mr. Speaker. I am voting with reservations and have short comments. Just letting people know that in Committee, and from doing a little bit of research, many of the testifiers are advocating for a broader bill and feel that this is too narrow in scope."

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

"Mr. Speaker, I stand in support. Mr. Speaker, I believe that 60 percent of all our agricultural lands are growing weeds. This bill says, do you want to grow weeds or so you want to grow fuel? I think it's a good use of what otherwise, we're not using our land.

"And secondly, for the sake for what I believe the Majority Floor Leader noted, we should proceed with data. The Majority Floor Leader who spoke earlier about having data. I don't think we should be scaring the people of Hawaii saying that you're going to be under water by the end of the century unless we've got the data enough to face that we're going to be inundated. Because Mr. Speaker, as all of you know, the last three quarters measurement in this year has had a drop in temperature. I'm not saying it's going to be an ice age, but I'm not saying we should be telling the people of Hawaii that they're going to be under water in a number of decades. Mr. Speaker, let the data talk not the face in what's otherwise is an assumption."

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

"Mr. Speaker, I am in support and I'd like the words of the Majority Leader, since he is referring to Maui, entered into the record as if they were my own. And just another thing for people to keep in mind is that besides growing weeds, these lots are just empty. They become brushfire fuel zones like you wouldn't believe. All these brushfires we've seen that occurred on the Valley Isle were on these parcels themselves. And so anything's better than 'McMansions'. I think the people of Maui can believe that."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2503, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Cabanilla and Thielen voting no, and with Representatives Nakasone, Souki, Takai and Takamine being excused.

Representatives Ito and Tsuji, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs and the Committee on

Agriculture presented a report (Stand. Com. Rep. No. 761-08) recommending that H.B. No. 2502, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committees be adopted, and that H.B. No. 2502, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise in support, but have strong reservations regarding this bill, House Draft 2. In testimony from the Department of Agriculture, the Department points out that soil classification alone should not be the sole criteria in making a solar project an allowable use on agricultural lands. Your Committee on Energy & Environmental Protection agrees with that premise.

"Marginal agricultural lands, lands rated D or E, are where you will likely find small farmers, ranchers and unique crops like coffee. The House Draft 2 will cause solar projects to compete with agriculture rather than coexist with agriculture, pitting food protection against energy protection. Unlike wind or hydro projects, which are outright allowable uses on agricultural lands and do not take away from lands being used for agricultural purposes, a large scale solar project will remove the agricultural productivity of that parcel. Therefore, only the agricultural areas that have the highest solar isolation and best siting possibilities should be considered if this bill is to move forward.

"The House Draft 2 opens the door for a free-for-all to solar developers not concerned with the best siting possibilities because their projects will be subsidized with both State and federal tax credits and Hawaii's electrical rate payers, and done at the expense of small farmers and ranchers.

"What we're allowing under this bill is *defacto* spot zoning without any checks and balances, and therefore I have some real concerns. This can be a good bill if it had some criteria other than the land soil classifications. Thank you."

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

"Thank you. I also rise with strong reservations and ask that the words of the Representative from Hanalei be entered as my own. I'd also add Mr. Speaker, that as we look at siting possibilities for solar facilities, there is the possibility that the very best places would be the tops of buildings throughout the urban core so we are not then using precious agricultural lands. So with that I would again express my strong reservations for this bill. Thank you, Mr. Speaker."

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

"Thank you very much, Mr. Speaker. I rise in support. Mr. Speaker the purpose of this legislation is to make the most productive use of marginal, and I say again, marginal agricultural lands by including solar energy facilities as permitted uses within the agricultural district. In its present form, this Majority's package bill on solar energy is also supported by the Hawaii 2050 Sustainable Task Force.

"Mr. Speaker, there appears to be a fear that this legislation will be used to displace farmers who are already farming on agricultural lands classified D and E by the Land Study Bureau's detailed land classification. It is not the intention of this legislation to displace these farmers with solar energy facilities. It is far from it. This legislation only provides the landowner the option to develop solar energy facilities on marginal agricultural lands.

"Mr. Speaker, I also have written comments I want to insert into the Journal. Thank you."

Representative Ito's written remarks are as follows:

"Mr. Speaker, I am in support of Stand. Com. Report no. 761-08, HB 2502, HD 2.

"Mr. Speaker, the purpose of this legislation is to make the most productive use of marginal, I say again – marginal, agricultural lands by including solar energy facilities as permitted uses within the Agricultural District. In its present form, HB 2502, HD 2 is a Majority Package measure on solar energy. This legislation is also supported by the Hawaii 2050 Sustainable Task Force.

"Mr. Speaker, there appears to be a fear that this legislation will be used to displace farmers who are already farming on agricultural lands classified D or E by the Land Study Bureau's detailed land classification. It is not the intention of this legislation to displace these farmers with solar energy facilities – far from it. This legislation only provides the land owner the option to develop solar energy facilities on marginal agricultural lands that no farmer wants to lease or purchase, rather than developing the land for other uses, which is happening today.

"Mr. Speaker, since 2001 the Legislature has made great strides toward reducing the State's dependency on fossil fuels for the production of electrical energy. During the 2001 Legislative Session the Legislature adopted HB 173, which the Governor enacted into law as Act 272. This Act required each electric utility to establish a renewable portfolio standard of:

1. 7% of its net electricity sales by December 31, 2003
2. 8% of its net electricity sales by December 31, 2005, and
3. 9% of its net electricity sales by December 31, 2010.

"Then in 2004, the Legislature adopted SB 2474, which the Governor enacted into law as Act 95. This Act further increased the renewable portfolio standard as follows:

1. 10% of its net electricity sales by December 31, 2010
2. 15% of its net electricity sales by December 31, 2015, and
3. 20% of its net electricity sales by December 31, 2020.

I must commend the past Legislatures for being so forward thinking in regards to renewable energy.

"Mr. Speaker, this legislation is not just about solar energy. It is about the security of the State of Hawaii, as well as the State's ability to survive in the future. Presently, the State receives all of its fossil fuel from locations outside of the United States; such as the Middle East and Indonesia, to name a few. War, civil unrest, invasion by other countries are always a threat in these areas. Today, there are men and women of our armed forces, who are being killed or injured, in foreign countries where wars and civil unrest prevail to protect the fossil fuel supply and to ensure a flowing supply. If and when these fossil fuel supplies to the State of Hawaii are severed we must ask ourselves, 'Are we prepared for such an occurrence?' This legislation only provides a small fraction of the answer to that question. We still have a long way to go to providing self-sufficiency in the area of energy production, mainly the production of electricity.

"Mr. Speaker, I commend my colleague from Kauai for her continual advocacy in pursuing alternative and renewable energy sources. However, I must disagree with my colleague from Kauai, when she places restrictions on solar energy facilities on marginal agricultural lands. Such restrictions will only tend to hinder solar energy development in the State of Hawaii.

"Mr. Speaker, during the hearing by your Committee on Energy and Environmental Protection, HB 2502 was amended to limit solar energy facilities to land:

1. When the total acreage used by the solar energy facility is ten acres or one percent of the parcel, whichever is less;
2. That is located in the vicinity of an existing electrical transmission and distribution systems; and
3. That can generate between:
 - A. Eight and fourteen kilowatt hours - per square meter - per day based on solar insolation maps on a two-axis tracking flat map; or
 - B. Five and fourteen kilowatt hours – per square meter – per day based on solar insolation maps on a two-axis tracking concentrator system.

"Mr. Speaker, rather than placing any restrictions to limit solar energy facilities on agricultural lands, we should be encouraging the development of solar panels to produce a greater quantity of electrical power per square meter of panel per day under minimal sunlight. With the rapid advancement in technology who is to say that solar panels of the near future will not be able to produce a greater amount of electrical energy per square meter of panel per day on agricultural lands that generate less than between eight and fourteen kilowatt hour per square meter per day, or five and fourteen kilowatt hour per square meter per day based on solar insolation maps on a two-axis tracking flat or concentrated map, respectively. Further, the time may be fast approaching where full production solar energy facilities will be able to fit in a 5-acre parcel.

"Mr. Speaker, an analogy to this is that this Legislature passed legislation that limits the horsepower on vehicles sold in the State of Hawaii to 200 horsepower. The rationale behind such legislation is only because vehicles with greater than 200 horsepower give less than 20 miles-per-gallon. Low and behold, advancements in the auto industries have in five years resulted in the production of automobiles of greater than 200 horsepower with engines providing greater than 30 miles-per-gallon. Do we once again change the law? Let us not limit ourselves to the technology of today and look forward to the possibilities of tomorrow and prepare ourselves now for those possibilities and not be reactive when that time arrives.

"Mr. Speaker, let us not short change the residents of the State of Hawaii by placing any restrictions under which a solar energy facility is a permitted use on land in the agricultural district. Let us look forward and be proactive by encouraging the development of solar panels to generate greater electrical power under the most minimal sunlight.

"Mr. Speaker, even if this legislation was to pass today, it will take years before we see a solar energy facility on any agricultural land. During a hearing, Mr. Ted Liu, Director of the Department of Business, Economic Development and Tourism stated, 'If this bill passes this Legislative Session, it will take not less than 10 years, nor more than 15 years, even with a facilitator to expedite the permitting process, before we see the first solar energy facility on any agricultural land.'

"Mr. Speaker, as your Chair of the Committee on Water, Land, Ocean Resources & Hawaiian Affairs, it is my duty to bring before this Chamber the best bill possible for consideration. Stand. Com Report No. 761-08, HB 2502, HD 2 is such a bill.

"Mr. Speaker, for the reasons stated above I ask my colleagues to support this measure."

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

Representative Saiki's written remarks are as follows:

"Mr. Speaker, I rise in opposition to this measure in large part due to the manner in which it has been expedited through the legislative process in violation of House Rule 13.1.(3).

"Rule 13.1.(3) is our "prior concurrence" rule and it reads in part: "It shall be the duty of each standing committee to: (3) . . . Determine the objectives of any bill referred to it and make appropriate recommendations, . . . On bills which relate to programs and matters over which a standing committee to which they are referred has no primary responsibility, the standing committee shall propose no substantive change to the bill unless prior concurrence of the chair of the committee which has the primary responsibility is first obtained."

"The prior concurrence rule is designed to bring meaning to our legislative committee process. We rely on the standing committees to develop expertise, to consider measures, and to amend those measures to improve them. Prior concurrence gives deference to the respective expertise of the committee chairs during this deliberative process. Under Rule 13.1.(3), a committee chair may only amend a measure in substantive terms if he or she has jurisdiction over those terms.

"H.B. 2502 was referred to the following committees: EEP, WLH/AGR. EEP heard the bill on February 5, 2008, and amended it to include acreage, location and energy generation limitations, for the purpose of protecting undue development of agricultural land. The proponent(s) of H.B. 2502 opposed the amendments. WLH/AGR heard the measure on February 20, 2008. During decision making, the co-chairs indicated their inclination to delete the EEP-drafted amendments, and deferred decisionmaking because they had not obtained the prior concurrence of the EEP chair to make their amendments.

"The hearing was continued on February 25, 2008, which fell within the five-day legislative recess. At that time, the WLH/AGR co-chairs had not yet obtained the prior concurrence of the EEP chair. Nevertheless, the joint committees proceeded to recommend passage of the measure with amendments, i.e., to delete the acreage, location and energy generation limitations.

"In an apparent attempt to accommodate the concerns of the bill's proponents, the WLH/AGR Co-Chairs violated Rule 13.1.(3). The Co-Chairs could have waited until the EEP Chair's return. If they had done so, the Co-Chairs would have still had the opportunity to hold a hearing on February 28 or 29, in time for the First Decking deadline.

"This situation may fuel the perception that the House is beholden to very narrow interests to the detriment of the public interest. The prior concurrence rule is, perhaps, a safeguard to such abuse. We should enforce Rule 13.1.(3) because it will result in improved policymaking and restore public confidence in the Legislature."

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

"Mr. Speaker, in support. I do support this measure and I also strongly support the comments of the Chair of the Water & Land Committee, as the Committee on Agriculture and the Committee on Water & Land heard this measure in a joint hearing. I also request that I submit written comments to be inserted in the Journal. Thank you."

Representative Tsuji's written remarks are as follows:

"This bill seeks to make the most productive use of marginal agricultural lands by including solar energy facilities as a permitted use within agricultural districts on land meeting certain requirements.

"Solar projects are key to the State in order to meet its aggressive goals of 20% renewables by 2020, as well as a recently stated target of 70% renewables by 2030. The use of solar energy facilities in the

agricultural districts on class D and E land will lessen the State's dependence on oil, reduce greenhouse gas emissions, and provide energy price stability to Hawaii's consumers.

"Wind generators are already allowed in all five categories of agricultural land providing that the facilities and appurtenance are compatible with agricultural uses and cause minimal adverse impact on the agricultural land. Solar energy facilities are complementary to the uses prescribed for D and E agricultural lands and should have no adverse impacts on these marginal lands.

"Current amendments to this Bill remove the acreage, location, and energy generation limits under which a solar energy facility would be permitted on agricultural district lands. This dialog should continue and the bill should move forward."

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

"In support. Again I'd like to remind everyone, I know the zone classes D and E are based on the Land Study Bureau's productivity, and I want to emphasize productivity because it's very difficult to grow produce on these types of lands because of the type of soil, lack of water, etc. So there's a reason for this five point rating system, and this being the lowest of all the ratings in terms of the soil quality and productivity. So that's the reason why we're looking at this.

"As far as acreage, there's no way we can put a solar farm on top of buildings. We've got to put it on land, on acres of land and that's the reason why we're looking at it.

"The other thing is, we passed laws saying that we have got to hit 20 percent renewables by 2020. That's right around the corner. So how are we going to achieve that if we don't have space for renewable energy?"

"We're trying to be creative here. And the majority of our lands are in the agricultural classification. The reason is a lot of the land was dumped into agriculture, good or bad. So we have got to look at our land and start working at our policy goals on how we're going to achieve renewable energy, and how we're going to achieve important agricultural lands, which is in other bills. We're trying to identify our most valuable agriculture land, and at the same time we're trying to hit our 2020 renewable goal. How are we going to achieve it if we have no space? That's where we're trying to go at right now. Mr. Speaker, I ask that my written comments also to be inserted."

Representative Karamatsu's written remarks are as follows:

"I rise in support. The increased use of Hawaii's abundant renewable energy resources, such as wind, solar, ocean thermal, wave, and biomass resources, is key to reducing Hawaii's green house gas emissions and contribution to global warming and creating new job opportunities and economic diversification.

"In 2006, Hawaii's oil imports totaled \$3,400,000,000 for the year, accounting for approximately 15 per cent of the total imports. Over 93 per cent of Hawaii's energy is supplied by fossil fuel. By allowing solar energy facilities to be built on marginal agricultural lands or agricultural lands with soil classified D or E, there will be more beneficial effects for Hawaii's economy, environment, and energy security than leaving such lands unused. Thank you."

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

"Brief comments in support. Mr. Speaker, the sun is out there. Let's farm it, now."

Representative Morita rose to respond, stating:

"Thank you, Mr. Speaker. First of all, I'd like to insert additional comments into the Journal regarding this matter. I also want to make certain points of clarification.

"The most efficient use of land for solar will be solar on rooftops. That way you don't take up land space and we'll use unutilized roof space. And also when you start using roof spaces, especially in the urban corridor, you're closer to where you need the power. And so it's a more efficient use of the resource.

"Secondly, if the intent is to protect small farmers that are farming on these larger lands that are not reflected in the bill. The bill is wide open. It's making solar an outright allowable use on agricultural lands. And again, if there was a structure, additional criteria to address this issue, protect agricultural uses and keep the land predominantly in agriculture use, it could be a good bill. But the words that are written right now, it's a free-for-all and without any restrictions and we need to be careful about that.

"Just because it's in the Majority Package doesn't mean it's always a good bill. It was put out to be discussed and when it was put to discussion, we learned lots of things. Lots of different issues have arisen regarding this bill and one is, we may call these lands marginal lands, but people are farming on these lands and they tend to be the smaller farmers and unique crops. So again, it could be a good bill, but the way it's written right now, it's not."

Representative Morita's written remarks are as follows:

"Mr. Speaker, I would just like to elaborate on some of the concerns and objections I have regarding this measure that I raised during the Floor debate. The Department of Agriculture testified that soil classification alone should not be the sole criteria in making solar energy an allowable use on agricultural lands rated D or E. The Hawaii Farm Bureau and Maui Farm Bureau pointed out that lands rated D or E are generally used by smaller farms, for grazing or are unique as most coffee farming is done on D or E lands. This kind of broad policy statement does not protect existing agricultural uses on these types of lands and may inadvertently displace on-going agricultural activities on D and E lands.

"The intent of this measure should be to accommodate exceptional solar resources on D or E lands, not to place agricultural uses in jeopardy by creating *de facto* zoning through this type of allowable use as in the House Draft 2 version. This is why the following criteria, outlined in the House Draft 1 version of this measure is so important:

- 1) The total acreage to be used by the solar energy facility is ten acres or one percent of the parcel, whichever is less;
- (2) The project is located in the vicinity of an existing electrical transmission and distribution system;
- (3) The project can generate between:
 - (i) Eight and fourteen kWh/m²/day (hours per day when array is providing peak output) based on solar insolation maps on a two-axis tracking flat plate; or
 - (ii) Five and fourteen kWh/m²/day (hours per day when concentrator is providing peak output) based on solar insolation maps on a two-axis tracking concentrator system.

"Projects that do not meet these criteria should go through the regular land use permit process if it is not integrated into an agricultural enterprise as described in House Bill 2503.

"Another important concern is that the broad policy outlined in this measure may have a propensity to pit energy production against food production. Especially with oil prices over \$100.00 per barrel, this body needs to be very careful that energy production does not displace lower value food production. Again, the House Draft 2 does

nothing to address or to protect existing agricultural uses should this conflict occur.

"Finally, as an island state with limited land potential, the best and most efficient placement for solar panels are rooftops where these systems are close to the load and distribution and transmission infrastructure. Again, what the House Draft 1 tries to address are solar projects where the solar resource and project location has exceptional values that may outweigh the agricultural potential of the parcel. In its present form, House Bill 2502, House Draft 2 leaves the door wide open for abuse of agricultural lands, potentially at the expense of small farms, grazing lands and unique crop opportunities. I have very grave reservations on this bill."

Representative Belatti rose to respond, stating:

"Thank you, Mr. Speaker. I'd like the words again of the speaker of Hanalei to be entered as my own. Thank you. And I would also like to respond to that issue about putting solar farms on rooftops.

"When I suggest that, I look at the state of the technology today and we have companies like SOPOGY who we are moving with giving SPRBs to. They are developing technology that concentrates the solar energy that can be placed on rooftops. Not just simply rooftops of small buildings; let's look at the 'big box' retailers. We have Sam's Club and Costco looking at putting photovoltaic panels onto their rooftops. Yes, the Majority Leader is right, the sun is out there. Let's farm it. But let's farm it in a way that does not take up valuable agricultural lands. Thank you, Mr. Speaker."

Representative Ito rose to respond, stating:

"Mr. Speaker, thank you. Mr. Speaker I just want to let the Members know that even if this legislation passed at this time, it's going to take between 10 to 15 years before anything gets started because you have got to get the permits. So Mr. Speaker, we will have future Legislatures to take a look at this maybe in 6 years, or 8 years from now and maybe refine this bill a little bit more. Thank you."

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

"Thank you, Mr. Speaker. I rise in opposition to this bill and ask that the words from the Representative from Hanalei be entered as my own. And I would like to caution our colleagues to avoid being seduced by the rhetoric and the vocabulary that currently exists, and the fear that it might be put out there. Because as our Representative from Kaneohe has reminded us, from the Constitutional Convention when the Important Agricultural Lands was put forward to be discussed, that was 30 years ago. So I think it's timely, and if we are coherent with our work today as well, we will take a look at all the different measures and see how they fit together. Thank you."

Representative Ward rose to respond, stating:

"Mr. Speaker, I rise with a brief comment in support. Rather than take it fearfully, when I heard the term, 'free-for-all for solar,' I said, 'Let's have a free-for-all for solar. We've been trying for three decades to get the residential community to adopt solar. And only 17 percent of Hawaii's households have solar. So how are we going to get a free-for-all on the agricultural land, which is probably so dry and with rocks and other things to me is beyond conception.

"So I think rather than being fearful, I think we should say, 'Let's bring out as much solar as we can', because it's not happening in our backyards. Thank you."

The Chair then stated:

"Members, the Chair would like to move on. But for those of you who would like to submit written comments, for or against, you will be given the opportunity."

Representative Karamatsu rose to respond, stating:

"Mr. Speaker, just a quick rebuttal. In regard to SOPOGY and other solar farm type of companies looking at solar farms, they're looking at 50 acres and beyond. The technology they have is for hundreds of acres and in areas such as a desert or plain areas. So I don't know how we're going to put it on top of buildings. Maybe one day in the future we can have the technology that can make it smaller instead of a huge solar farm, but I don't think we can do it on buildings right now. So we're looking at 2020, and it's right around the corner."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 2502, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SOLAR ENERGY," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Berg, Luke, Saiki and Wakai voting no, and with Representatives Nakasone, Souki, Takai and Takamine being excused.

Representative Ito, for the Committee on Water, Land, Ocean Resources & Hawaiian Affairs presented a report (Stand. Com. Rep. No. 763-08) recommending that H.B. No. 2598, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2598, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition. This bill requires the Hawaii Housing Finance and Development Corporation to give priority to developing land in the areas covered under the Ewa Development Plan, the City and County of Honolulu Primary Urban Center Development Plan, and land in the urban core in the counties of Kauai, Maui and Hawaii.

"My problem with the bill is that it will limit the ability of HHFDC to support affordable housing developments outside of the areas cited in the bill, even though counties have determined that there is a significant need for affordable housing.

"This bill also requires HHFDC to use its resources and funds to assist development of targeted areas, including addressing infrastructure and other planning needs, which is a major undertaking and cannot be done without a substantial infusion of capital improvement funds from the State Legislature.

"I'm sure that the State and counties are committed to providing affordable housing in rural, residential and urban communities alike. This bill is trying to limit it just to specific areas. I also worry that this would discourage the HHFDC from partnering with other counties on affordable housing in rural areas where the counties have deemed it appropriate. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker, in support. I just wanted to emphasize that this bill looks at priority areas that have already been established by HCDA and the counties, and it's really asking HHFDC to give priority. It's not requiring. The previous version mandated this. So we did soften the language there.

"Really, this measure's looking at what a lot of us are concerned about which is urban sprawl. The previous speaker cited wanting to develop rural areas. A lot of us, with the housing crisis and the crunch we're feeling now, we have to make some tough decisions. Do we want to build upward or outward? I think most of us would agree that we want to build upward. We want to look at the urban

core areas that have already been identified and focus on those and really try as much as we can to preserve the rural character of the few remaining places that are still in this State of Hawaii. So I hope that the Members will support this concept. Thank you."

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

"Yes, just in opposition. My opposition is really quite simple. The philosophy that people in Ewa Beach have. It quite frankly scares us that we're going to be giving priority for our taxpayer dollars to build more homes on the Ewa Plain. And basically use taxpayer dollars to torture myself even further, to add to the traffic congestion. So I do appreciate the intent of this bill. I think it's well founded, but this is really an objection from the people of Ewa Beach."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2598, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Cabanilla, Meyer and Pine voting no, and with Representatives Nakasone, Souki, Takai and Takamine being excused.

Representative M. Oshiro, for the Committee on Finance presented two reports:

(Stand. Com. Rep. No. 765-08) recommending that H.B. No. 2292, as amended in HD 1, pass Third Reading; and

(Stand. Com. Rep. No. 766-08) recommending that H.B. No. 2293, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the reports of the Committee be adopted, and that H.B. No. 2292, HD 1, and H.B. No. 2293, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose to speak in opposition to both measures, stating:

"Thank you, Mr. Speaker. I'm rising on Stand. Com. Rep. 765 and 766 and my remarks will cover both of those. I'm voting no on both of those. Essentially what this bill does is have the State buy the Galbraith Estate property out in Wahiawa. One bill asks ADC to arrange it and manage it and do things, and the other one has another form of financing.

"My concern, I guess my greatest concern is the liability. There was a study done a few years back, four years ago, that looked at all the properties in total. What came up was a real concern about the condition of the dam on Lake Wilson. If the State owned it, would we take full liability for the problems there and be expected to put whatever money was needed to bring it up to snuff.

"The other thing that I see is that the community in Wahiawa, a certain group of them have been looking forward or have been wanting to, they've shown a lot of interest in getting these properties in public hands where the State would own them. But I'm also really worried because they probably would be looking at rezoning some of the properties, some of the land.

"There may be others that want to talk on these, but the liability is my greatest concern on this purchase. Thank you."

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

"Mr. Speaker, just a potential conflict. As I said before, at my law firm, several of my partners are beneficiaries of the Galbraith Trust. Also Bank of Hawaii is the trustee for the trust, and my wife is employed by Bank of Hawaii. Thank you," and the Chair ruled, "no conflict."

Representative M. Oshiro rose to speak in support of both measures, stating:

"Mr. Speaker, in strong support and written comments please. But just to clarify, the State of Hawaii probably would not be the only purchaser. We're looking at purchasing or acquiring the property for public purposes, similar to how the State worked with the Office of Hawaiian Affairs, City and County of Honolulu, U.S. Army, Department of Land and Natural Resources, and National Audubon Society in the acquisition of Waimea Valley. Also similarly with Pupukea Paumalu, the North Shore Public Trust people, NOAA, State of Hawaii, City and County and U.S. Army. We're working with all those groups involved with those two great success stories. Thank you."

Representative M. Oshiro's written remarks on H.B. No. 2292 are as follows:

"Mr. Speaker, I rise to speak in support of H.B. No. 2292, HD 1. This measure appropriates funds for the Agribusiness Development Corporation to purchase the agricultural lands owned by the Galbraith Estate. This measure also authorizes the Agribusiness Development Corporation to contract with banks to provide lease management services, and allows the Corporation to lease agricultural lands for up to fifty five years.

"By securing the fertile Galbraith Lands located north of Wahiawa, this measure will help preserve important agricultural lands, limited natural resources, and agricultural irrigation assets on the Island of Oahu. More specifically, it provides the Agricultural Development Corporation with the flexibility to lease agricultural lands at affordable prices for extended periods of time. By purchasing the Galbraith lands and having ADC lease those lands to farmers at affordable rates, small farmers who are currently unable to afford large tracks of land will be able to continue to farm Oahu's fertile soil and reduce the State's dependence on imported food crops.

"Mr. Speaker, the passage of this measure would greatly benefit farming and diversified agriculture in Hawaii, and would guarantee the long-term availability of the Galbraith lands for agricultural uses at a time when the demand for residential development in central Oahu is high. The 2,100 acres currently for sale by the Galbraith Estate present an enormous opportunity for the State to strategically protect important agricultural lands that are fundamental to Hawaii's future."

Representative M. Oshiro's written remarks on H.B. No. 2293 are as follows:

"Mr. Speaker, I rise in support of H.B. No. 2293, HD 1. This measure authorizes the issuance of revenue bonds and appropriates funds for the Agribusiness Development Corporation to purchase the agricultural lands owned by the Galbraith Estate. This measure also authorizes the Agribusiness Development Corporation to contract with a financial institution in order to lease lands owned by the Corporation for up to fifty five years.

"By securing the fertile Galbraith Lands located north of Wahiawa, this measure will help preserve important agricultural lands, limited natural resources, and agricultural irrigation assets on the Island of Oahu. More specifically, it provides the Agricultural Development Corporation with the flexibility to lease agricultural lands at affordable prices for extended periods of time. By purchasing the Galbraith lands and having ADC lease those lands to farmers at affordable rates, small farmers who are currently unable to afford large tracks of land will be able to continue to farm Oahu's fertile soil and reduce the State's dependence on imported food crops.

"Mr. Speaker, the passage of this measure would greatly benefit farming and diversified agriculture in Hawaii, and would guarantee the long-term availability of the Galbraith lands for agricultural uses at a time when the demand for residential development in central Oahu is high. The 2,100 acres currently for sale by the Galbraith

Estate present an enormous opportunity for the State to strategically protect important agricultural lands that are fundamental to Hawaii's future."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. One of these bills would ask for revenue bonds, but as was explained the general income from leasing land and agricultural operations cannot support the debt service for that. If the military and all these various entities are interested in making that investment, that changes the whole look of these bills, but for now my vote is no. Thank you."

Representative Finnegan rose to speak in support of both measures with reservations, stating:

"Thank you, Mr. Speaker. On those two measures, could you note my reservations? And it mainly surrounds around the liability issue of the property, as well as the reasons stated in the Governor's previous veto message as well. Thank you."

Representative Marumoto rose to speak in support of both measures with reservations, stating:

"Reservations, Mr. Speaker. I have no idea what the situation is with the dam, regarding repairing it and the potential liability. Thank you."

The motion was put to vote by the Chair and carried, and the reports of the Committee were adopted and H.B. No. 2292, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Meyer, Pine and Thielen voting no, and with Representatives Nakasone, Souki, Takai and Takamine being excused; and

H.B. No. 2293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Meyer and Thielen voting no, and with Representatives Nakasone, Souki, Takai and Takamine being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 767-08) recommending that H.B. No. 2501, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2501, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BIOSECURITY," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Souki, Takai and Takamine being excused.

At 10:55 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2367, HD 2
H.B. No. 2503, HD 1
H.B. No. 2502, HD 2
H.B. No. 2598, HD 2
H.B. No. 2292, HD 1
H.B. No. 2293, HD 1
H.B. No. 2501, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 768-08) recommending that H.B. No. 2516, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2516, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On Stand. Com. No. 768, I have some strong reservations. While this is a good purpose, to have biosecurity facilities, we have a big problem with alien species and things coming into the State. With the revenue stream that we have which is decreasing this year and very many demands, I feel like this is premature. The Department of Agriculture is doing a pretty good job right now. The Governor has put an extra \$500,000 plus into the budget so that they can expand on what they're doing now. Thank you, very much."

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

"Thank you, Mr. Speaker. I am voting with reservations and similar reason for my reservations."

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

"On Stand. Com. No. 768, in strong support. The purpose of this measure Mr. Speaker, is to improve the infrastructure and facilities necessary to prevent the importation and spread of invasive species. It provides for funding for a joint biosecurity inspection facility without federal inspectors. The State of Hawaii, the State inspectors cannot really do it alone and we need the participation and corporation of the federal inspectors also. This is a forming of a partnership with federal inspection services and we believe this is an efficient and effective method to make the best use of our really limited resources, money and available space.

"The Legislature found in 2003 that the silent invasion of Hawaii by insects, disease-carrying organisms, weeds and other pests is the single greatest threat to our economy and the natural environment, and to the health and the lifestyle of the people of Hawaii. Legislation that helps to improve the effectiveness of cargo inspections must be a high priority for the sustenance of Hawaii's agriculture and environment, and takes a big step toward curtailing invasive species that enter our State through important cargo. Thank you, very much."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. I am still with reservations and just have some short comments. According to the Department of Agriculture, the Department is already filling in the gaps in invasive species prevention systems as the bills propose to do by implementing their biosecurity program. So it's not like we're without. They have already initiated the planning and installation of joint use inspection facilities at the airports and harbors to mitigate the environmental concerns for the improvements to the transportation infrastructure statewide, and is currently developing coordinated federal/State programs targeting risk assessments, diagnostics, detection, control and suppression and emergency management programs designed to further increase the effectiveness of their invasive species programs. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2516, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BIOSECURITY," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Meyer voting no, and Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 769-08) recommending that H.B. No. 2593, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2593, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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 H.B. No. 2593, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DROUGHT MITIGATION," passed Third Reading by a vote of 46 ayes, with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 770-08) recommending that H.B. No. 2843, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2843, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I will be voting for this measure because I would like to stop invasive species from coming in to Hawaii. However, I am reluctant to accept new fees on our containers and incoming cargo. By taxing all freight coming into the State on containers or otherwise, we are taxing ourselves, and that increases our cost of living. I would much rather see our raising fees perhaps on passenger tax on outgoing tourists. Maybe we could rethink this particular plan."

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

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

"Mr. Speaker, on Standing Committee Report 770, in strong support. This measure actually repeals the existing inspection fee on cargo containers to the 20-foot equivalent, assessing a \$1 fee for 20-foot equivalent. This measure would provide an ongoing funding stream which would expand the eradication efforts of invasive species statewide, instead of relying solely on general funding.

"Please allow me to explain the difference on this \$1 container fee on this particular measure. For both domestic and foreign imports, cargo arriving, both maritime and air cargo, annually into the State of Hawaii, statistics extracted by the Department of Agriculture reveals that harbor importation of cargo annually, by week, is 12 billion pounds annually. Air cargo, 250 million annually. That means over about 12 billion, 250 million pounds per year.

"What this measure tries to do is to have an equal responsibility as far as assessing fees, for protection from the invasive species. Therefore instead of only assessing a \$1 fee on containerized maritime cargo, it goes a step further for both airports and harbors. The assessment is based on \$.50 per 1,000 pounds of cargo, both domestic and foreign cargo.

"In calculating this annually, on a very conservative basis from the figures were derived from, this would derive approximately \$6,125,000 annually. The Department of Agriculture states that they need at least \$4 million to counteract invasive species. We cannot rely on general funds alone, and this is a step forward in our continuing effort to counteract invasive species and I ask for your support. Thank you, very much."

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

"Mr. Speaker, I'm rising in support with some reservations. Just the information I have with me here, I don't have any kind of estimates of what this is going to cost. It's obviously going to raise the cost of products shipped in. I have some concern about maybe the

automobile industry that will carry the load because they're heavy cargo. I just have this reservation."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2843, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Third Reading by a vote of 46 ayes, with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 771-08) recommending that H.B. No. 3034, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3034, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in strong support. Mr. Speaker, if money is the 'mother's milk' of politics, we need to put our money where our mouth is now and save the cows and that's I think exactly what this bill does. It asks that we start treating Hawaii milk as first class milk rather than second class milk. Heretofore, it had been used as cheese and yogurt, and the fresh milk was actually brought in from the Mainland. This bill will reverse that and I think it's a really good step in the right direction.

"However Mr. Speaker, I think there are two lessons I think that come with this bill. One is that we're becoming less sustainable. This is a wake up call that we may have two dairies left in the State of Hawaii, there's one that's just went out recently in Waianae and there's two left on the Big Island. Yet at the same time, this body and the Senate are promoting sustainability by 2050. We've got to be not talking out of both sides of my mouth. We're letting our farmers die off. The agriculture industry is dying; the chicken industry, and now the dairy industry. So sustainability means we have to put action to our words.

"I think the second lesson is, I think you probably hear it more from this side of the aisle, when we send a clarion call for the danger of the cost of doing business in Hawaii, please listen to this side of the aisle because these guys are dying and we're losing our businesses.

"And this is a great wake up call for what otherwise in the long run I think we have to have some kind of a stockpiling of sustainable industries like milk, like bread, like eggs. So in event there is a crisis, at least we're going to have a nucleus bond which we can build or we expand. So Mr. Speaker this bill is a good bill, it's a wake up call and I'd like to thank the Governor for introducing it. Thank you."

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

"Thank you, Mr. Speaker. I am in strong support and ask that the words of the previous speaker be inserted in the Journal as if they were my own."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3034, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MILK," passed Third Reading by a vote of 46 ayes, with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 772-08) recommending that H.B. No. 3120, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3120, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Manahan 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 Manahan's written remarks are as follows:

"In the hearings of the House Committees on Economic Development & Business Concerns, and Finance, the Department of Agriculture (DOA) testified that they would like to lease the Animal Quarantine Facility in Halawa for below market value. They assessed the market value of the property at \$300,000, which I found to be very low given its size and location in central Oahu.

"Given that we are already subsidizing many agricultural industries through the DOA such as the poultry, cattle, pork, and dairies under the Department of Agriculture without any long term plans, and in light of the unfavorable audit of the DOA and their management of the Molokai irrigation system which we are subsidizing to the tune of \$425,000 a year, I question the ability and the rationale of the DOA to lease the Halawa property for 50% below market value. (It should be noted that in the original version of the bill, it was proposed that the Halawa property be leased for less than 50% of its market value.

"Furthermore, only the DOA and the Hawaii Humane Society testified in favor of this bill in both Committees despite many other organizations who would be able to qualify and benefit from such legislation.

"For these reasons, I would like to express my reservations for HB 3120."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3120, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL QUARANTINE FACILITIES," passed Third Reading by a vote of 46 ayes, with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 778-08) recommending that H.B. No. 2431, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2431, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Thank you, Mr. Speaker. I rise in support of H.B. 2431, H.D. 2 that exempts the University of Hawaii Board of Regents from Hawaii Public Procurement Code requirements and requires an audit. I believe in good procurement policy, and am confident that filing the procurement process and any proposed changes with the Hawaii Procurement Institute will add transparency to this process.

"This will allow the University to efficiently repair and renovate at reduced costs while maintaining current facilities so that the students and faculty can be proud of their university and its facilities. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2431, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Berg voting no, and Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 779-08) recommending that H.B. No. 2521, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2521, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

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

"Thank you, Mr. Speaker. I have strong, very strong reservations about this bill. It's not that I'm not aware of all maintenance and repairs that are needed at the University. I think we want our University to be first class and be a place that our students can be proud to be learning and going to school there. They are proud even though it doesn't look as good as it could. But it would be a real boost to everyone if our University really looked A-1, tops.

"What I have a problem with is the way we're going to finance these repairs. The way the bill is written right now, it spells out that \$50 million of tax revenues that come into the State will automatically move over to a special fund in the University. They won't even show up on the revenue stream for the State because they had just funneled off over to the University. And we will also provide G.O. bond funding of another \$50 million and that will show up. There'll be debt service on that. So that's \$100 million over to the University every year for six years. That's \$600 million of our State tax money that will be going over to the University. Correct that, the bonds are not State tax money, but the tax money pays for the debt service.

"I don't think anybody is against providing the money for the University to do what really is long overdo. It's just that I think it's irresponsible to earmark this money. It doesn't give us very much flexibility. You never know what the next year's going to bring. Of course we have another Legislative Session. We can undo what we're doing, but I think when you use the State tax dollars you have to be accountable and by passing a bill of this scope, six years, okay you're just going to get it, don't worry.

"I know the bill does call for the President of the University to come back and report every year as to how much they're spending, what they're doing, and that is good. But when you know that you're just going to get it, I think there's a chance people feel they like deserve it, they just know it's coming. Every year is a new year and I think you have to look at the needs of the State in totality and we are by way of this mechanism guaranteeing the University that they will have this \$100 million every year for 6 six years, no matter what's going on in the State, at least that's what we're saying if we pass it. And I think that is just not the most responsible thing to do. Thank you."

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

"Thank you, Mr. Speaker. As Chair of the House Finance Committee, I stand in strong support of putting money where our mouth is, and making this commitment to our University of Hawaii System.

"I believe the previous speaker did highlight some of the funding features of the bill. Yes it is a six-year plan. \$50 million in general revenues right off the top from our tax revenues, and \$50 million a year from our general obligation bonds. And the reason for it Mr. Speaker, is we've learned that there are about \$240 million in deferred repairs in our University System, and every year they need about \$75 million just to keep everything from further deterioration and keeping our classrooms open for our students. So that's why we're looking at a six-year plan.

"Future Legislatures can certainly make adjustments to accommodate different needs or interests at that particular time, but I think that in celebrating our University of Hawaii's 100th anniversary, this is a tremendous step in addressing the backlog, making sure that we have the money set aside at the front end to keep our buildings and facilities working for our students.

"So I stand in strong support of this and hope we can all, especially as part of the alumni Mr. Speaker, move this bill forward. Thank you."

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

"Mr. Speaker, I rise with slight reservations. As the previous speaker ended with, I'd like to begin with. Seventy percent of us are alumni of University of Hawaii, and all of us obviously are proud of it. We want to save it, and we want to do it and this is a mechanism and this is a bill by which we can do that. However, with \$50 million by G.O. bonds, and \$50 million by cash out of the Treasury, I'm not sure if that is the wisest way to go.

"Mr. Speaker you didn't buy your house using credit card interest. Using our general funds is the equivalent to doing it. It's going to cost us too much. Why don't we do a 100 percent, or 75 percent with G.O. bonds and save us some money.

"My second reservation is, \$100 million a year at the University of Hawaii is like drinking out of a fire hose. I just don't think they can do it. That's going to be tough. So I think this is a good mechanism. This is only First Crossover, right? So we can get another bite at the apple on this one. I think it's good that it's moving. It may be overextended in terms of the method of financing and the amount. But I think it's a good bill and I will vote for it with reservations. Thank you."

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

"Thank you, Mr. Speaker. I support this bill, but I have some reservations. Mr. Speaker, I'm really thankful for our commitment to wanting to help the University - our University, with repair and maintenance of the facilities. And make no mistake, there is another method in where we can commit to this goal. And the Governor has done so in her Supplemental Budget, which includes a commitment of \$291 million for the same purpose.

"Mr. Speaker, the part I have reservations for, and I will not vote no, but the part I vote reservations for is that this bill is not transparent to the people of Hawaii and our taxpayers as it funnels the tax revenue directly into a special fund. And what that does is, it doesn't allow these numbers to become reportable numbers for mandated tax rebates or those types of things, as well as it doesn't reflect in our general fund carryover balances. Mr. Speaker that's the kind of information that I think from the outside looking in, getting a better picture of where our State is in regard to tax revenue, in regard to what we have in reserve, or those types of things, I think that that's a more transparent way to go. Thank you, Mr. Speaker."

Representative M. Oshiro rose to respond, stating:

"Just to clarify. The Governor only put \$50 million in repair and maintenance. Thank you."

Representative Finnegan rose to respond, stating:

"Mr. Speaker, still with reservations, but in clarification of my words, it's \$291 million in a variety of ways to address this problem. Thank you."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. Just another thing I wanted to bring up. Normally when you do these large repairs and renovations, you do it with G.O. bonds. Bonds allow more than the current generation of taxpayers to pay for capital improvements that are intended for several generations to be beneficiaries. This puts a greater burden than is necessary on the current generation of tax payers by spending over \$300 million of tax revenue. 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 H.B. No. 2521, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 43 ayes to 3 noes, with Representatives Berg, Morita and Takumi voting no, and with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 780-08) recommending that H.B. No. 3226, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3226, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you. Mr. Speaker, in opposition. Mr. Speaker, I believe it was noted that one of the supporters of this bill was the University of Hawaii Regents Candidate Advisory Council. But I'm led to believe that they actually would like to see the original version. The amended versions would have a chilling effect on the individuals considering becoming candidates to serve on the Board of Regents. These are pretty strong words to indicate a very strong objection. So I just wanted to bring that up. Thank you."

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

"Thank you. Mr. Speaker, in opposition. I'll just go through a few bullet points. As it was said by the Minority Leader, the legislation allows for disclosure of information that many candidates of the Board of Regents may find sensitive. In fact the Regents Candidate Advisory Council did testify that confidentiality language would have a chilling effect on individuals considering becoming a candidate. In recent interviews, some candidates have expressed concern about the potential public disclosure of personal information that the Council may become aware of during the candidate review process.

"Disclosure of sensitive information further weakens the ability to recruit the best and brightest candidates to serve on the UH Board of Regents. The very creation of the Council last year weakens the State's ability to find high-quality candidates requiring them to be approved by an Advisory Council and put up individual interests. But now release of the information may further limit the number of high-quality individuals interested in becoming Regents.

"Number four, it would make the Board of Regents selection process more politicized with release of this information, the smallest thing could be used to discredit an individual or their political leaning. And there is no longer the requirement that no more than six of the members shall be members of the same political party, and so there is no longer a mandate that the Board be politically balanced. The funding for the position in this bill may also not be necessary as the funding for the bill is already in the budget. Thank you."

Representative Meyer rose in opposition to the measure and asked that the remarks of Representative Ching 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 H.B. No. 3226, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 41 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Pine voting no, and with Representatives Brower, Nakasone, Sonson, Souki and Takai being excused.

At 11:21 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2516, HD 1
H.B. No. 2593, HD 1
H.B. No. 2843, HD 2
H.B. No. 3034, HD 1
H.B. No. 3120, HD 2
H.B. No. 2431, HD 2
H.B. No. 2521, HD 2
H.B. No. 3226, HD 3

At 11:22 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 11:33 o'clock a.m., with Vice Speaker Chong presiding.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 781-08) recommending that H.B. No. 2978, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2978, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. With reservations. Mr. Speaker this bill sets up a task force at the University of Hawaii to work with the Regents Candidate Advisory Council, and my concern is that it's exempt from the Sunshine Law. I don't think that's a good idea. Thank you."

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

Representative Ward 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 Ward's written remarks are as follows:

"Mr. Speaker, I rise with some reservations on this bill. This bill exempts the proposed Task Force from the sunshine law. I do not see why this is necessary. The Task Force is charged with making recommendations that are important to and will directly affect the entire University community, and indirectly the public at large. Although the bill calls for the Task Force to make a good faith effort to make its proceedings accessible to the public, the way in which it chooses to do so will be entirely within the Task Force's discretion and members of the public will have no recourse if they feel shut out of the proceedings.

"I realize that some may say that the exemption will make the Task Force more efficient, but you can say that about any board or organization subject to sunshine laws. The duties and responsibilities of this Task Force are large enough that it should be subject to the sunshine laws.

"First, this bill exempts the Task Force from the sunshine law. The proposed Task Force is charged with making recommendations that

are important to and will directly affect the entire University community, and indirectly the public at large. So why is it exempt from the sunshine law?

"Second, although the bill calls for the Task Force to make good faith effort to make its proceedings accessible to the public, the way in which it chooses to do so will be entirely within the Task Force's discretion and members of the public will have no recourse if they feel shut out of the proceedings.

"Third, this bill encroaches on the autonomy that was put on the UH. UH has their own budget, why do we have regents? It doesn't seem appropriate."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2978, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 783-08) recommending that H.B. No. 3422, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3422, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I just wanted to declare a potential conflict of interest. I'm an employee of the Legal Aid Society of Hawaii. Thank you," and the Chair ruled, "no conflict."

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I have a similar potential conflict of interest. I'm on the Board of Directors for the Legal Aid Society. Thank you," and the Chair ruled, "no conflict."

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

"Thank you Mr. Speaker, in opposition. Basically this is increasing either the tax or the filing fees. Actually, the filing fees. And I just wanted to read a short comment from one of the testifiers. We see this more as access to justice being more expensive. Pointed out by Bill Plum representing HSBA Collection Law Section: 'This surcharge is basically a tax on innocent Hawaii residents who are forced to go to court because injustice was done and they're now trying to collect restitution with no guarantee that they will recover their losses.' It's just that we probably hurt the people that we're trying to help as well. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I'm also rising in opposition to this measure. The money collected from these surcharges, which have gone up, some of them more than doubled, goes to the nonprofit organizations like Legal Aid Society of Hawaii, Volunteer Legal Services of Hawaii, Na Loio and others. These taxpayer dollars collected through a State entity are like grant-in-aids are given to nonprofits holding a certain population to help subsidize their costs. But unlike grants-in-aid, these funds come with no strings attached, no structured outline of accountability or reporting requirements.

"Mr. Speaker, I don't think this is a good precedent. All the people that have to file papers with the courts are going to pay and sometimes they will actually be going against some of these indigents that are getting the support of the organizations with money

that the taxpayers paid. So I think there are some problems with this measure. Thank you, Mr. Speaker."

Representative Shimabukuro rose to respond, stating:

"Thank you, Mr. Speaker. In support. I just want to point out to the body that CJ Moon has indicated many times in his speeches, and if you look online, this is a huge priority, not just for him, but for the Hawaii State Bar Association in general, who have identified, if you saw on the front page, I think, right around when Session started, that Access to Justice Hui did a study and found that Hawaii is severely lacking in service to the indigent.

"I wanted to also point out that the filing fees envisioned in this bill are for those most able to pay, such as the collection agencies and landowners. We're not talking about all people that file actions in court.

"I just wanted to also say that I'm really happy that this measure has the support of the Hawaiian Caucus and is part of their legislative package. This idea came out of the study. I want to quote that this was, Achieving Access to Justice for Hawaii's People that I mentioned earlier, and I quote the study. It says: 'Hawaii's Legislature should increase the amounts raised through the court filing fee surcharge for the Judiciary's indigent legal assistance fund.'

"So this measure actually came out of a working group that tried to find ways that they could come up with these desperately needed funds to help so many in our society that fall through the cracks and the safety net when trying to get the legal service they desperately need. I also have additional written remarks in support as well."

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in strong support of HB 3422 HD2. As the bill's introducer, I am pleased that it has also received the endorsement of our Hawaiian Caucus and is part of its legislative package.

"When the bill was heard by our Committee on Human Services and Housing, and later in Finance, it received strongly supportive testimony from legal and social agencies, outweighing the negative testimony, which came mostly from collection agencies.

"This bill provides additional surcharge fees on court filings – funds which are deposited in the Indigent Legal Assistance Fund – and expands eligibility qualifications for help from the fund. HB 3422 stems from recommendations made in 2007 by the Access to Justice Hui in its report, Achieving Access to Justice for Hawaii's People. Among the recommendations in the report – endorsed by many groups in the legal community, including the Hawaii State Bar Association – was the following: "The Hawaii legislature should increase the amounts raised through the court filing fee surcharge for the Judiciary's Indigent Legal Assistance Fund."

"Additional funding for civil legal services is urgently needed. District and Family Courts have seen a virtual explosion of cases in which people are unrepresented by counsel. The above-mentioned report states that only one-in-five low and moderate-income Hawaii residents have their legal needs met. This is clearly unacceptable.

"By passing this legislation, we can close the wide gap between Hawaii and other states. Nationwide, 45% of state-generated funding for legal services for the poor is from court filing fees and fines. In Hawaii it is only 14% which, in dollars, translated into only \$305,000 in 2007 distributed to eight legal service providers. Surely, we can do better than this!

"I urge my colleagues to join me in passing this bill on Third Reading."

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

"Mr. Speaker, I would also like to declare a potential conflict. I'm on the Board of Directors for the Volunteer Legal Services Corporation. Thank you," and the Chair ruled, "no conflict."

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 am rising in opposition to this measure.

"HB3422 HD2 increases the fees to file legal papers with the court. This surcharge is really a tax on innocent Hawaii residents who are forced to go to court because some injustice was done to them and they are trying to collect restitution, with no guarantee that they will recover their losses. By raising the surcharge, you are raising taxes.

"The Republican Caucus is very committed to open and transparent government. We are very pleased with the new GIA hearing and decision making process and appreciate the opportunity to become a part of those discussions. Last year the Legislature saw fit to award the Hawaii Family Law Clinic \$75,000. Legal Aid Society of Hawaii received \$810,000, Na Loio received \$422,296, and \$600,000 went to Volunteer Legal Services Hawaii under Operating GIAs. Additionally, the Domestic Violence Clearinghouse and Legal Hotline, Oahu and Volunteer Legal Services Hawaii, Oahu received \$500,000 and \$50,000 respectively for CIP GIAs. Kokua Legal Services Inc., Legal Aid Society of Hawaii, No Loio, and Volunteer Legal Services of Hawaii submitted GIA requests this year for an amount totaling \$2,668,000.

"Mr. Speaker, I am not opposed to providing low-income people with legal services when they need it. However, I cannot in good conscience support this roundabout way of infusing additional and unaccounted for State monies into the pockets of organizations that are also receiving State funds from the Legislature through the Grant-in-Aid process. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3422, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SURCHARGE FOR INDIGENT LEGAL SERVICES," passed Third Reading by a vote of 45 ayes to 3 noes, with Representatives Ching, Finnegan and Meyer voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 786-08) recommending that H.B. No. 2758, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2758, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"On Stand. Com. No. 786, I just want to declare a potential conflict of interest. My husband works for and has invested in the Hawaii Medical Center," and the Chair ruled, "no conflict."

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

Representative Cabanilla's written remarks are as follows:

"Mr. Speaker, I stand in strong support of HB 2758 HD 2.

"The purpose of this bill is to ensure the continued strength of Hawaii's healthcare safety net by requiring the Department of

Taxation (DOTAX) to defer General Excise Tax collections for any private hospital located in a county with a population greater than 500,000 that has an annual patient population consisting of 60 percent or more of uninsured, Medicaid, and Medicare patients. The Finance committee changed its effective date to July 1, 2020, to encourage further discussion on the issue.

"Hawaii Medical Center formerly St. Francis Hospitals is the only major Hospital that is paying GET tax in its hospital operations. They were only recently assessed with paying GET when they changed the name from St. Francis Hospitals to Hawaii Medical Center. The need for financial support would assist MHC to make capital improvements, equipment, supplies, materials or working capital. This bill would provide the State with a strategic tool with which it can enable hospitals to respond effectively to Hawaii's need for quality, affordable healthcare to Hawaii's most under-served patients.

"Hawaii Medical Center West, formerly St. Francis Hospital West is the only major medical provider for the entire Leeward side of the island. The Second City of Kapolei and the entire Leeward and Central Oahu area are growing in population and Hawaii Medical Center formerly St. Francis Hospitals plays a pivotal role in providing critical emergency and medical services for a very large area of Oahu. Its continued existence is vital to the people of West Oahu.

"MHC is struggling to provide services to a large number of Medicare/Medicaid patients whose government reimbursement does not generally cover the cost of care. Currently, 70 percent of HMC's patients are Medicare/Medicaid and uninsured, a higher percentage than other local hospitals are experiencing.

"This deferment is necessary to help keep MHC solvent during this transition period – so we can continue to provide medical services to this underserved population. In return, MHC will be operating like a non-profit, in that it will not be making any distributions during this deferment period, but instead is committed to investing all its resources in its facilities, operations and services in order to continue to serve this rapidly growing destitute patient population.

"The survival of Hawaii Medical Center is critical, as they service 8,000 in-patients for over 75,000 patient days annually. This does not include the thousands of outpatients that are also served annually and the unique services provided by MHC that other hospitals are not able to absorb. In addition, MHC employs over one thousand employees who contribute hundreds of thousands of dollars in federal and State income taxes that help support the economy of our state.

"One year ago, more than 100 local physicians came together to not only save the former St. Francis Hospitals but also to help perpetuate their charitable values. The Sisters' mission was to provide service to the poverty-stricken, poor and economically challenged of the State of Hawaii. However, even with its non-profit and tax-exempt status, St. Francis was in serious financial difficulty.

"Committed to the public interest, the Good Samaritan doctors took the ultimate step of purchasing the hospitals. They discovered the hospitals were in even worse financial shape than had been anticipated. MHC was forced to make hard decisions and difficult sacrifices to keep the hospital going. They have worked long and hard to improve our operations and become more efficient because they did not want to see our community lose these important institutions, nor did we want to deprive patients of affordable healthcare. In addition, we did not want to see our community lose this organization's unique services that are based on the moral and ethical values of serving the poor and needy that had always been the mission of the Sisters of St. Francis.

"They are determined to keep MHC afloat and continue to serve the underserved and financially challenged patients that St. Francis was serving. By extending to Hawaii Medical Center this deferral,

we would be making a wise investment in healthcare for the destitute people of Hawaii. I recognize we are faced with many competing demands for limited state resources. MHC is simply requesting this deferral in order for MHC to continue to serve its high percentage of uninsured and needy patients.

"MHC is only asking for a more even playing field. They have the highest rate of un-served patients and their predecessor and ALL other hospitals in the State of Hawaii were/are tax exempt. MHC serves a higher percentage of government insured patients compared to others. No other hospital has the burden of the GET. MHC is only trying to continue to operate and provide services to this underserved population without the added burden of the GET just like St. Francis was and all the other hospitals in the State area. I sincerely believe that your support for the HMC's best efforts to serve these underserved patients would be in the best public interest.

"If we are going to solve the health care crisis that confronts our State and provide a safety net for the uninsured and the underinsured, it is going to take a bold vision, creative innovation and timely investment, both public and private. The deferral will help the State ensure that quality, affordable healthcare continues to be available to society's most vulnerable.

"It would ensure the continued existence of important medical assets in the State to ensure many of Hawaii's most vulnerable populations will continue to have access to health care. I sincerely believe that our support for such a deferral program which will result in more money to the State would be in the best public interest. Please help lead the way by approving reasonable excise tax relief to those Medical Centers that provide medical services to the underserved."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2758, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 787-08) recommending that H.B. No. 2238, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2238, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On Stand. Com. Report 787, in opposition. Thank you, Mr. Speaker. This bill, the HD 1, requires public housing projects and affordable housing funded by county or State funds to remain affordable in perpetuity. And I think in regard to that, the thing that I am uncomfortable with is, perpetuity. Perpetuity is a very, very long time, and the different types of affordable projects have taken place where I think this may interfere with creative solutions that government and people come together to help with.

"I'd like to name the Kukui Garden situation or even the idea of possibly buying an affordable unit and making it your own. Those are steps for people that need these types of homes or rentals to be able to live the American Dream. That's one of the things that home ownership has been known as an American Dream. And I just don't know how this would be affecting those type of situations. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in support. First I just want to say I think that as far as the American Dream, there are plenty of

properties out there with all the market price development going on. If you want to pursue the American Dream, you have plenty of chance to do that.

"But I really disagree with HPHA's decision to sell public housing and affordable housing, such as their Section 8 properties, to private developers who are not willing to maintain a perpetual affordability requirement. This bill requires that all sales are made affordable in perpetuity. In Hawaii, housing is so very scarce and to sell our precious State public and affordable housing will cause future generations to forever lose the few areas that we have set aside for the needy. It's very upsetting to me when I hear things like units in Kaka'ako that were only affordable to the first buyer, or I fret when I hear that developers only have to enforce a 10-year buyback provision. What will happen after that? Will we see gated communities and mansions on our precious previous public housing properties?"

"I realize the HPHA is in need of money now to do their critical job. However, I think it's short sighted to jeopardize the future of our children and grandchildren for our current benefit. Many organizations like nonprofits and community land trusts are waiting, willing and unable to manage land that is affordable in perpetuity. Mr. Speaker, we really should partner with these groups to do what is right for the future of Hawaii. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. Just in rebuttal. It took a really creative situation to do Kukui Gardens, and what it did was, the plan is basically to help sustain affordable units. They're mixing it with non-affordable units. This is where I think this may be a little short sighted. We may not be able to take advantage of those types of creative opportunities.

"The other point is, when you have affordable units, not always is that the best social situation. I think we've also heard testimony or people who come and say, 'Hey you know what? It's good to have mixed affordable and non-affordable in the same building, or in the same project.'

"So I don't want to propose any extreme measures, but I do want to say that this does not create the situation that will allow us to do what we want to do, which is to create more affordable housing and keep it sustainable by having creative opportunities to do that. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2238, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HOUSING," passed Third Reading by a vote of 44 ayes to 4 noes, with Representatives Ching, Finnegan, Marumoto and Meyer voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 788-08) recommending that H.B. No. 2512, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2512, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in support with some reservations. This bill, as originally introduced appropriated \$500,000 from the general fund to go to HHFDC to assist developers in contracting for third party review and certification, to expedite the process and issuance of building permits for housing projects that are affordable.

"I'm just concerned, that the agency, HHFDC, was concerned that it is diminishing their budget. But I'm also concerned that there's no

guarantee that this will actually speed up anything. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In support. This bill represents a really rare time when the State and the City are in agreement over how to expedite the processing of affordable housing.

"In my short tenure as your Human Services and Housing Chair, I've seen much discord over this subject with top county and State officials pointing fingers at each other as to why this permit process seems to be failing. And this concept of third party review was suggested to me by the City Department of Planning and Permitting last year. At the time when the discussion various measures such as forcing the City to speed up, give them funds to hire more staff and transferring their duties to the State.

"The counties oppose all of these measures. They did not want unfunded mandates or the sacrificing of their homerule in environmental laws. They even stated that giving them more money to hire staff wouldn't work because of the severe shortage of engineers and architects, and that no matter how much money we give them, they'd never be able to compete with the private sector. But what DPP did do is urge funding of third party review.

"Now this is a process that's already in place and where the counties can certify private entities like engineers and architects to conduct the business of certifying various aspects of the permits. So this prevents having to reinvent the wheel. It does not involve having to hire additional civil servants, and is really a win-win situation.

"HHFDC was in support of this measure and Director Dan Davidson testified that the \$500,000 appropriated could pay for approximately 20 projects. So I think that really, 20 affordable housing projects that would be expedited in this manner, and does not offend the county, environmentalists, developers and the like, is truly priceless. And given the small appropriation, this is a measure that really has a lot of 'bang for the buck'. Thank you."

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

Representative Awana rose in support of the measure and asked that the remarks of Representative Shimabukuro 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 H.B. No. 2512, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 789-08) recommending that H.B. No. 2513, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2513, HD 1, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION TO THE DWELLING UNIT REVOLVING FUND," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 790-08) recommending that H.B. No. 2514, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 2514, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONVEYANCE TAX," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

At 11:49 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2978, HD 1
H.B. No. 3422, HD 2
H.B. No. 2758, HD 2
H.B. No. 2238, HD 1
H.B. No. 2512, HD 2
H.B. No. 2513, HD 1
H.B. No. 2514, HD 1

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 791-08) recommending that H.B. No. 2515, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2515, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. In strong support. Kukui Gardens as we all know is an 857 unit low-income apartment complex on the edge of Chinatown. When news of the sale of Kukui Gardens came to light, residents of Kukui Gardens, many who are elderly feared they would have no where to go. This bill provides the second portion of funding that in turn, reduces the debt service stemming from Hula Mae Multi-family revenue bonds issued to finance the purchase of the outstanding portion of Kukui Gardens.

"The bill is an example of how the Governor and members of the government addressed a pressing issue for this for Hawaii citizens. Since then, the Administration has endeavored and it has succeeded in helping to keep half of the property affordable and the other available for mixed use, retail and office purposes.

"Given the shortage of affordable housing, many people were in danger of losing their homes, but because of this Legislature, Members of this Legislature and the Administration, we were able to keep 389 apartments affordable for the next 60 years.

"I vote in strong support of this bill, not only for what it has done for the residents of Kukui Gardens, but also for what this bill represents in terms of what government can represent, working together for the people and making sure that people are taken care of. Thank you to this Legislature, and in particular, the Speaker of the House. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2515, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KUKUI GARDENS," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 792-08) recommending that H.B. No. 2558, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2558, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I stand in support of Stand. Com. Rep. No. 792, House Bill 2558. On January 17th of this year, Cyrus Belt, only 23 months old, was thrown from the H-1 freeway pedestrian overpass. According to the City medical examiner, Cyrus died from a 24-foot fall. Earlier in that day police found young Cyrus wandering and brought him back to his house.

"Mr. Speaker, not every child in Hawaii is raised in a safe and loving home. While often we don't realize the children become victims of abuse and neglect, sometimes from the very people they trust the most: their parents and guardians. Child abuse and neglect has a devastating impact on the life of a child that goes beyond immediate physical and emotional harm that is inflicted on them.

"House Bill 2558 authorizes the Department of Human Services to conduct unannounced visits to inspect a parental home in which a household member was convicted or adjudicated for certain offenses of child abuse or neglect. It establishes a Well Child Follow-up Visit Pilot Project. Unannounced visits and the Follow-up Visits Project is a unique preventative approach to assist the needs of our at-risk families.

"This measure could provide the needed safety net to prevent families from re-entering the criminal system as they would be able to address possible child abuse and neglect concerns before they escalate into irreversible harm or abuse. Thank you, Mr. Speaker."

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

Representative Shimabukuro's written remarks are as follows:

"In support. With the tragic death of Cyrus Belt fresh on our minds, the timing of this measure, which was actually envisioned before his death, could not be more perfect.

"HB2558 was designed with the well being of our *keiki* in mind. When there is potential for abuse of a child we must do all we can to prevent that from happening. By establishing a child follow-up visit pilot project to make more regular and unannounced visits to homes with an abuse potential, it will surely limit the risk factor for our *keiki*.

"Your Committees on Human Services & Housing and Judiciary have heeded the requests of DHS and the Attorney General and made their recommended changes.

"For example, the Judiciary Committee amended this bill by adding a purpose section to clarify the statutory provisions provided for in the bill, and made several other critical changes.

"Our *keiki* are our future and we must do all we can to protect them from harm."

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of H.B. 2558, H.D. 3 that Authorizes the Department of Human Services to conduct unannounced visits to inspect a parental home in which a household member was convicted or adjudicated for certain offenses of child abuse or neglect.

"I believe there are ways to improve the process in which we protect our *keiki* and prevent situations from getting out of hand without infringing on the constitutional rights of our citizens. In my opinion, a program of this magnitude is too expensive and poses numerous legal and liability concerns. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I also have reservations on this measure. I think the Department of Human Services said it would take about \$6 million to do this and they didn't feel they had the money or the staff to do what this bill calls for."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2558, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 794-08) recommending that H.B. No. 2527, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2527, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this bill. This bill requires the Department of Land and Natural Resources to establish a system of greenways and trails, and also requires the Office of Planning to coordinate Smart Growth planning. I actually have problems with both of those purposes.

"First I'll address the greenways. The problem with this is that they're asking the DLNR to expand the scope of its Na Ala Hele Program into urban transportation management. The Statewide greenway concept is much larger in scope and function than the Statewide Trails and Access System Program and trying to fit the same programs under the same umbrella may dilute the focus of the Na Ala Hele Program and diminish both the resource management and recreational values derived from this small program. DLNR said this bill goes way beyond the scope and intent of the Na Ala Hele Program and is beyond its staff ability at the present time. Before we consider passing this bill Mr. Speaker, we should have assurances that DLNR has the necessary staff and training to handle the job.

"On the section in the bill that asks for the Office of Planning to act as an advocate and coordinator for Smart Growth principles, I would say we should move a little slowly in this area and that the question is: Is Smart Growth really that smart? Portland, Oregon went into this just big time over the last 20 years, and the strategies that they used have created a situation where their housing crisis skyrocketed and has increased traffic congestion dramatically. This was caused by them drawing lines and saying, 'This is the Smart Growth area. You cannot go beyond this area for urban growth.' They set them up many years ago, but they haven't expanded them and it's created this push and actually not made it a better place to live.

"I think we all read the paper the last couple days where some environmental terrorists set four model homes on fire in Seattle. If you listen to some of the radio news, they are characterizing these people as actually non-sprawl activists. They don't want sprawl. That's one of the key things about Smart Growth, we don't want sprawl, but these people have taken it way out there to limits that we should not, nobody should condone, but you don't hear a hue and cry.

"If these folks had gone after a new affordable housing building, or a new shelter for the homeless and set them on fire. Well, I'm just saying we have to keep things in perspective. People deserve to have choices and I don't think it is always appropriate that the government mandates and thinks that they have the design that fits the purpose for all people. Just this group called the Earth Liberation Front. Obviously they have agendas. They don't want the sprawl, and they want everything to be green. They scrawled on the wall of this

building, 'Build green? Nope, black,' and that gave them enough justification to set up very complex explosive devices that torched these places. Anyway, I'm really worried about Smart Growth, Mr. Speaker. Thank you, very much."

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

"Yes, I rise in strong support. Greenways are a very, very important aspect of preserving our open spaces, as well as preserving our access to it. I agree with the comments about DLNR and the Na Ala Hele Program not being enough, or sufficient to actually create such a program in Hawaii, but they are the right State agency to take the lead in actually facilitating such a program.

"I think the intent behind this bill is to actually create more of a Greenways Commission which would come out of hearings that Na Ala Hele could initiate, that would actually pull together all the stakeholders in creating a good greenway system because it does take more than just the State. It does take more than just a small program of DLNR. It takes the whole community. It takes landowners and other folks who can not only bring their expertise, but their money to the table.

"So it is a good first start, a good first step toward creating a Statewide greenway system, and it gives it the official backing of the government to see this thing get going.

"The other part of Smart Growth is that I think what the previous speaker was referring to regarding urban growth boundaries, which is part of some Smart Growth initiatives, I'm not so sure it's part of this one. But the idea of choices is true, and the choices in Smart Growth actually relate back to that. The idea that we can make choices outside of the sprawl that our current land use laws basically implement, where all the zoning is separated and you can only get from the commercial to the residential to the industrial with your automobile.

"So the idea is that we now push it all back together and create the types of communities that actually provide choices outside of what we have now. Choices where people can live above where they work, and live and work and play and walk in the same communities instead of having to drive everywhere. Right now we don't have those choices. So this is about choices. It is moving forward for greenways for our State, which is something that 70 percent of people in a recent study they did actually a couple of years ago said they support. It's the one bicycling improvement that everyone supports and that is off-road trails. It is the safest way to get around and it also preserves our open space. Thank you."

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

"Mr. Speaker, I rise in opposition with a rebuttal to my colleague there from Maui. When I started reading this bill, I realized it was a few pages, maybe about 20 pages of it. And I started out with a very good, warm feeling that this bill is good, well-intended and it affected the work of a lot of people. It is very comprehensive.

"But then when I got to the portion when it started talking about penalties: civil penalties, criminal penalties, and prison sentences. I said to myself, 'No, no, no. I don't think that this should be something on the Floor of the House that we're voting on.' The title says, smart growth. It's not about felony charges. So I think that this is a great plan, but I don't think it belongs in the statutes, Mr. Speaker. I think it belongs in the State Plan, but I don't think we should be writing prescriptions here on how people live and where they work.

"I think that we should pull back and re-look at this matter and perhaps we need to study this bill more and it should go in a State Plan, rather than us deciding for the future of our people in the manner of where they live and work. Thank you."

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

"Mr. Speaker, in support very briefly. I just want to rebut the statement from the Representative from the 47th District to say that Portland's model is not a good one. On the contrary. I think it's a very good one. The reason prices have gone up in Portland is that people want to live there. And the traffic has gotten worse because the population has increased. The last time I checked here on Oahu, the traffic's pretty bad and our housing prices are really high. So I think those statements are misinformed. Mahalo."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. Just a brief rebuttal. Portland also went into mass transit. A lot of their development was built around the mass transit, and they wanted the mixed use so they had commercial space on ground floor. In many of those buildings they did not make any provisions for parking cars, with this idea that nobody would need a car because the transit was there. The commercial operations on the ground level, they couldn't make enough money because the people that didn't live in the building couldn't drive and park there because there was not adequate parking. Somebody that was an entrepreneur got some land next to some of these buildings and built a parking lot because the people who bought into some of these condominiums with the mixed use, they all had cars and there was no place to park them.

"As far as the congestion, as they move their mass transit out somewhat from the urban core, they went to ground level, surface level and they took streets that previously had been not too congested, but when they got the rail running down the middle and removed two lanes, they created havoc as far as congestion. I think these things can work, but I'm just pointing out some of the problems with them that people didn't consider ahead of time. Some of those condominiums were half-built and left there for years until some developer was able to pick them up at a song, a good price and tried to make them work. But that's because there was poor planning.

"As far as the traffic, I don't know what they're going to do about that. They've eliminated lanes. We saw the previous Mayor of Honolulu do a similar thing. He bought into Smart Growth, started putting in these traffic calming devices into neighborhoods in Kailua that absolutely eliminated a lot of parking stalls, created a dangerous situation on roads with these things that jutted out into the middle of the road.

"I think we have to move slowly, we should look at the problems they've had in other areas and learn from that. But just this idea of the sound bite of the day: 'Smart Growth. Hawaii is for Smart Growth.' Maybe we could just slow down a little bit and see what's happening in other areas. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2527, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMART GROWTH," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Meyer voting no, and Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 795-08) recommending that H.B. No. 2828, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2828, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'm sorry I was waiting for my colleague from the 48th District to bounce up because this is a very good bill. This is

Stand. Com. No. 795. It's a bill trying to appropriate money to operate the Super Sucker. I think most of us have read things about it in the paper. It's a very good thing for harvesting alien seaweed and they've been using it with great results. We're also talking about a Junior Sucker. I'm very happy to see this bill."

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

"In support. And I'd like to say that never let it be said that I didn't support a bill that sucks. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2828, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE SUPER SUCKER," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 798-08) recommending that H.B. No. 3391, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3391, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I am voting with reservations. Thank you, Mr. Speaker. In light of our budget and trying to not spend as much money, I'm just not at the point of being convinced that there needs to be this particular report. Basically DLNR does a lot of reports already, and this might be a way that we can save a million dollars. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3391, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 800-08) recommending that H.B. No. 2259, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2259, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I stand in strong support with a few brief comments. Mr. Speaker, the appropriation in this bill would allow for a feasibility study of a spaceport, a spaceport right here on Oahu. It brings the tourism industry into space tourism. Space tourism is going to be alongside now the surf, the sand and the sun because we've always talked about diversification of the tourist industry, well this is one that's going to do that.

"What's exciting about this is that there are a small number of licenses for spaceports in the U.S. This appropriation will allow Hawaii to have a leg up on one of the next spaceport licenses. And we've already had interest received from Rocketplane, which is an XP plane that will allow residents, as well as visitors to have a weightless experience. The cost is reasonable compared to what it used to be.

"I think that this bill is not only going to bring high skilled jobs and high paying jobs, it's anticipated to bring \$200 million in for

State revenue. And I mentioned earlier that it's going to be right here on Oahu, because these planes, these space planes actually take off and land horizontal and they can do it right here at the Honolulu International Airport. In conclusion Mr. Speaker, this is the way to diversify our tourism industry and it's really out of this world. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2259, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AEROSPACE DEVELOPMENT," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 801-08) recommending that H.B. No. 2473, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2473, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 802-08) recommending that H.B. No. 2781, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2781, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Meyer rose in support of 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'm rising in support of HB2781 with reservations.

"While this bill has a good intent, it seems to be unnecessary as interested parties already have ample opportunities to testify before the Small Business Regulatory Review Board at public hearings on proposed rules. Per DCCA's testimony, they feel that the protections currently in place are appropriate and help ensure that regulations do not slip by without input.

"Furthermore, DCCA notes that some of what is in this bill is already required under the law and that they have never heard a single objection from SBRRB or anyone else associated with the process that agencies are not following the law or not providing the required information.

"It should also be noted that DCCA has testified that they have not heard any explanation as to why this proposal was offered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2781, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS," passed Third Reading by a vote of 46 ayes, with Representatives Awana, Cabanilla, Nakasone, Souki and Takai being excused.

At 12:10 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2515, HD 1
 H.B. No. 2558, HD 3
 H.B. No. 2527, HD 1
 H.B. No. 2828, HD 1
 H.B. No. 3391, HD 2
 H.B. No. 2259, HD 2
 H.B. No. 2473, HD 2

H.B. No. 2781, HD 2

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 806-08) recommending that H.B. No. 3286, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3286, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative McKelvey 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 H.B. No. 3286, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MINING," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Carroll voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 879-08) recommending that H.B. No. 2766, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2766, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, on Stand. Com. No. 879, I would like to speak in favor. This bill is about accountability and protection. Domestic violence situations as we have all learned, are not black and white scenarios. And experts have told the Legislature that a victim does not always want to leave the abuser. However, if a victim does decide to leave, we must hold the abuser accountable. And if he violates a court order of protection, we must further protect the victim from further victimization.

"The purpose of this bill is to allow courts to require electronic monitoring of persons convicted of violating a domestic abuse protective order because many of the people who take out orders of protection are women. I'm very proud that this is passing as a Member of the Women's Caucus who sponsored this measure, and of the Republican Caucus which is over 80 percent female. I'm encouraged to see this bill pass through the House.

"As many of the testifiers have highlighted during the Committee hearings, one of the most important tools to deter abuse is to hold them accountable. And if a TRO is insufficient, we will have to use stronger measures such as electronic monitoring.

"Opponents of this bill have raised objections, arguing that the system is too costly for some. While I do concede this point, perhaps we should all work together toward a reasonable solution to the cost issue. If we do not, we will eventually have to face the stark question of whether another tragic death was worth the penny pinching, \$5 a day.

"As a society we cannot turn our backs on the victims, male or female, who have mustered enough emotional and physical strength to live through an abusive relationship. Now it is not too much for these courageous people to expect the Legislature to have enough political strength to provide them with the protection that they need. I ask you all to 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 am in strong support of HB 2766 – Relating to Electronic Monitoring.

"Victims obtain Temporary Restraining Orders (TRO) or Protective Orders (PO) as legal means for seeking safety from domestic violence. Statistics show that approximately 75% of women murdered by a partner or former partner had separated from their batterer or told their batterer they planned to leave.

"The intimate nature of these relationships means that the offender is well-versed in the victim's routines, and personal and social affiliations, such as family, friends, and membership in organizations. He knows when and where she works, the school where she waits to pick up the children, her telephone numbers, as well as her travel routes to reach home, work or fulfill other responsibilities, needs or preferences. Such knowledge of her daily routines furnishes the abuser with numerous opportunities to harass, talk intimidate, assault or abuse the victim in violation of protective orders.

"The electronic monitor is a global positioning satellite (GPS) device. Its purpose is to reduce contact between an order violator and the victim. If the order violator enters a court defined exclusion zone, the victim and the police will be notified as to the violator's location.

"Electronic monitoring serves as an additional tool that would assist in protecting victims and their children's safety."

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

"Mr. Speaker, on behalf of the opposite sex in the Caucus, I wish the comments of the previous speaker to be entered into the Journal as if they were my own."

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

"Mr. Speaker, in strong support. And may I have the words of the previous speaker entered as my own, except for the portion of the Hawaii Republican Caucus. Thank you."

Representative Finnegan 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.)

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

Representative Awana's written remarks are as follows:

"Mr. Speaker, I stand in strong support for HB 2766, H.D. 2.

"Electronic monitoring has become an effective tool in ensuring the safety of individuals who have restraining orders against their abusers. The untimely death of 29 year old Janel Tupuola and 39 year old Jenny Hartsock is a testament of abuse that eventually leads to death. Would Janel and Jenny be with us had this bill been implemented? I cannot say. However, I can say that this bill is definitely a step in the right direction. Thank you, Mr. Speaker."

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

Representative Shimabukuro's written remarks are as follows:

"In support. Although the Judiciary Committee had concerns that this measure may be unnecessary and difficult to implement, the bill

provides the critical appropriations necessary to ensure that domestic violence perpetrators can be electronically monitored.

"My staff contacted the Hawaii State Coalition Against Domestic Violence, Domestic Violence Action Center, Na Loio No Na Kanaka, and VOICES. These advocates strongly feel that although electronic monitoring may already be permitted by the HRS, they have never seen it implemented. They believe this specific bill which mandates the devices would ensure that more abuse cases get the monitoring devices which are desperately needed.

"The recent tragic deaths of many domestic violence victims points to the dire need for this type of protection.

"In many situations the abusers of domestic violence victims comply with the restraining or protection orders and stay away from the victim. However, in some situations the order does nothing to deter the abuser from pursuing and harming the victim. In these cases, the victims need more protection.

"HB2766 allows the courts to require electronic monitoring of persons convicted of violating a domestic abuse temporary restraining order or protective order. The purpose of electronic monitoring is to reduce contact between an order violator and the victim. Electronic monitoring will provide victims and police with an alert that the abuser is near if the order violator enters a court defined exclusion zone. It also will make abusers aware of their actions and possibly make them more accountable.

"Electronic monitoring for temporary restraining and protection order violators would serve as an additional tool that could safeguard victims, and their children. The projected costs for the electronic devices are in no way too expensive when it comes to protecting someone's life."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2766, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC MONITORING," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 881-08) recommending that H.B. No. 3008, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3008, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Thank you, Mr. Speaker. I rise in strong support of this bill. We all know the importance of having access to quality healthcare. Oftentimes it could mean the difference between life or death, which is why I rise in support of this measure today.

"Low-income or rural communities often have a "small town feel" to them, including the existence of a single healthcare facility for the entire community. In these areas our Federally Qualified Health Centers (FQHCs) are most often than not that healthcare facility. However, because they are government-subsidized facilities their funding needs are not always completely met.

"FQHCs are often the only healthcare facility in low-income and rural areas of our State. They are usually the place responsible for ensuring the health and well-being of their communities.

"Like the rest of the State, these communities are growing and the FQHCs need to be able to grow along with the community in order to

continue meeting their health needs. It is also critical that these FQHCs have the tools necessary in order to provide their clients with quality healthcare.

"This bill proposes a tax credit for those FQHCs to be eligible for a tax credit on any monies used to improve their facilities in order to better serve their clients. Some see it as a tax credit. I prefer to call it an investment in our State's health.

"This is not a perfect bill. It needs further discussion to work out clarifying verbiage and issues flagged by the Administration regarding the fiscal impact, but the intent is clear. Private healthcare organizations such as HMSA are required to re-invest any excess profits over a certain amount into healthcare services for their clients. Passage of this bill will help re-invest the money that would have been spent on taxes into increased healthcare for the beneficiaries of the FQHCs.

"The monies that the FQHCs save through this measure can be better spent on providing upfront, preventative and maintenance healthcare which will help us reduce future spending to subsidize the uncompensated care cases that FQHCs and our other hospitals take on because there will be healthier people and less reasons to need emergency care.

"Hawaii is one of the healthiest states in the country. Helping our rural and low-income health care facilities upgrade and improve their facilities and services through a tax credit is consistent with that claim. This bill has great merit. Let's continue the discussions on this measure and re-affirm our commitment to improving the quality of healthcare in our State. Thank you, Mr. Speaker."

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in strong support of House Bill 3008, which provides a tax credit for Federally Qualified Health Centers (FQHC).

"I speak not only as the Representative of a district that is served by such a center. I speak also as Chair of a Committee that has heard convincing testimony calling for this kind of support for our health centers in rural and underserved areas throughout Hawaii.

"Hawaii's 14 community health centers are vital safety net providers. They face increasing demands for a variety of free and discounted medical services. The tax credit proposed in this bill has been designed to provide incentives for low-income communities to capitalize on existing private fundraising initiatives and seek non-State dollars for capital improvements and other needs.

"Three House Committees, including Finance, have incorporated amendments suggested by the Department of Taxation, resulting in the HD2 we are voting on today. The amendments will help to minimize revenue loss, reducing considerably the range of financial impact suggested in the Department's testimony. A realistic estimate is that, over a five-year period, the proposed refundable tax credit would be about \$25 million and would stimulate nearly \$130 million in improvements and expansion for community health centers.

"I urge my colleagues to join me in supporting HB 3008."

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

"I'd just like to pose again, I may have a conflict of interest. My husband works for HMC. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3008, HD 2, entitled:

"A BILL FOR AN ACT RELATING TO QUALIFIED IMPROVEMENT TAX CREDIT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 884-08) recommending that H.B. No. 3400, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3400, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Shimabukuro's written remarks are as follows:

"In support. This measure provides much needed assistance to a gap group of people. Under current law, you must generally be blood related to a child in order to qualify for welfare assistance.

"Current law leaves out people who, often due to CPS intervention, volunteer to become legal guardians over abused and neglected minors. "Legal guardian" means a person appointed by a court of law to serve as a legal guardian over a minor.

"If the legal guardian is not blood related to the child, they will not qualify for welfare cash assistance.

"HB 3400 requires the Department of Human Services to amend its administrative rules to add "legal guardian" to the definition of a specified relative.

"Please support this critical measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3400, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 887-08) recommending that H.B. No. 2913, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2913, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. Mr. Speaker I stand in strong support. I applaud the commitment of Saint Francis Healthcare system and the National Kidney Foundation of Hawaii in their effort to establish a public/private partnership in the fight against this deadly disease.

"Chronic kidney disease is preventable, but all too often goes undetected until it is too late and the damage is irreversible. Increased screening, patient monitoring and research is needed now to help 20 percent of our population who either have or may develop this disease. I ask all my colleagues to join in this effort to save lives. The need is immediate and the investment is marginal with the greatest of returns. Thank you."

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

"Mr. Speaker, I stand in strong support of this bill. According to the studies from the Centers for Disease Control, ethnic minorities like Filipinos, Hawaiians, Chinese and Japanese are understudied in

the area of medical research. This revolution comes at a time when we are in an epidemic environment related to chronic kidney disease.

"Mr. Speaker, with over 156,000 of Hawaii's population at extreme risk, efforts need to be made now to slow the progression of this disease in our communities. Our people are dying and we can no longer sit on the sidelines. I urge my colleagues in this Chamber and in the Senate to prioritize this bill which supports increased screenings and research in this area. Thank you, Mr. Speaker."

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

"Mr. Speaker, strong support. And may I have the words of the previous speaker entered as my own?"

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

"Mr. Speaker, in support. It's my understanding we have among the highest incidences of chronic kidney disease in the nation. Legislation was introduced on this last year with no success. So I would just urge this body to take appropriate action this year to help curb this disease. Thank you."

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

"Thank you, Mr. Speaker. I stand in support of Stand. Com. Rep. 887. Mr. Speaker, as Hawaii recognizes March as National Kidney Month, I join my colleagues in their efforts to increase awareness and to address the devastating effects of chronic kidney disease. Over 156,000 residents of Hawaii Mr. Speaker, 156,000 already have chronic kidney disease, and another 100,000 are predisposed to contracting it.

"Of the five stages of this disease, the most critical is stage five which is end-stage renal disease. More than 2,300 Hawaii residents must receive life-saving dialysis three to four times a week because they're classified in stage five. Their kidneys have failed. Nationally more than 20 million Americans have chronic kidney disease, which is a precursor to kidney failure.

"Patients with kidney disease experience a gradual deterioration of kidney function that eventually progresses to kidney failure. Patients may live with the disease for 10 or more years without any symptoms before their kidneys fail. Once a patient develops kidney failure, his or her kidney function is so low, that without dialysis or kidney transplantation, death will occur from accumulation of fluids and waste products in the body.

"Mr. Speaker, the main cause of this disease is diabetes and high blood pressure which disproportionately affects minorities. In fact, Hawaii has the highest rate of chronic kidney disease in the nation per capita. Given the fact that early signs of chronic kidney disease have no symptoms, most people do not realize that their kidneys are about to fail. Therefore it is of critical importance that we increase awareness, screen and program so that we can detect and treat kidney disease before it's too late.

"This measure before us Mr. Speaker, provides the St. Francis Healthcare System and the National Kidney Foundation of Hawaii will commit, and this is a solid commitment, \$1 million. And they are asking that the State match this amount to implement a three-year pilot project to address chronic kidney disease and kidney failure in the State of Hawaii. Treated early, our residents with kidney disease will experience an improved quality of life and be able to maintain more daily life activities including keeping their jobs.

"Today the House of Representatives will decide if we can support a project to address chronic kidney disease in Hawaii. Mr. Speaker, I respectfully request you and the rest of the Members of this body to support House Bill 2913. Thank you."

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

"Thank you, Mr. Speaker. In support, briefly. For patients on dialysis, it's a very difficult way to live. You have to do three times a week typically. One of the problems that we've run into is that Medicare and Medicaid reimburse pretty poorly, and so programs that run just dialysis tend to lose money no matter what, but they're absolutely life preserving for those individuals. So these programs because the federal government, and in some cases our State government hasn't had enough money for services for people who are on dialysis, end up leaving us in a situation where absolutely life sustaining procedures have to either be supported with outside dollars or grants.

"So that's really where we are. This program will close if we don't do something here as a State. The Department of Health is doing a very good job taking it up. They've asked the Legislature to help. I think it's a good partnership, and we'll definitely save lives with this program. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I stand in strong support for House Bill 2913, Relating to Kidney Disease. As the author and chief introducer of this bill, I'd like the words of my colleagues in support to be entered into the Journal as my own. I would also like to submit written comments.

"We need to look at this earnestly because this is a silent killer that affects everybody, in the walks of life that we have. Again Mr. Speaker, thank you."

Representative Magaoay's written remarks are as follows:

"Thank you, Mr. Speaker. Mr. Speaker, as the author of this bill, I stand in strong support of House Bill 2913, House Draft 1. Mr. Speaker, this measure provides funding for a program to address the dialysis and chronic kidney disease needs of patients in the remote areas of the State of Hawaii. This measure is committed to the goals of better prevention, early detection, treatment, and expanded education efforts.

"Worldwide, there has been a staggering rise in the number of people with Chronic Kidney Disease, largely as a consequence of the aging population and the growing global epidemic of Type II diabetes. In the U.S., there are over 26 million Americans that have CKD that translates to over 150,000 people in Hawaii and over 100,000 more people at high-risk of CKD. Diabetes, hypertension, overweight/obesity constitute the key CKD causes and risk factors. Since these factors are largely lifestyle related, it offers opportunities for effective CKD prevention. All kidney disease risk factors and causes are highly prevalent in Hawaii, especially among certain ethnic groups, such as Hawaiians, Pacific Islanders, Filipinos, and persons of lower socioeconomic status.

"Chronic Kidney Disease is a progressive illness that has a silent, symptomless onset and is characterized by declining kidney function over years. During the later stages of kidney disease, referred to as End Stage Renal Disease, patients will require dialysis treatment or kidney transplantation. Despite numerous guidelines to screen patients at high risk of CKD, many patients remain unscreened or are poorly characterized with respect to the extent of their kidney disease. Chronic noncommunicable disease have now replaced the communicable disease as the leading threat to public health and health budgets worldwide.

"Deaths claimed by infectious disease will decline by three percent over the next decade. In marked contrast, chronic disease – that already account for 72% of the total global burden of disease in people over 30 will increase by 17%.

"In Hawaii, there are over 2,300 people on dialysis. At \$65,000 per patient per year, we are spending over \$150 million on medical related costs of patients on dialysis.

"Mr. Speaker, I urge my colleagues for passage of this measure as an opportunity to insure early detection and treatment of Chronic Kidney Disease in delaying the progression, prevent and treat complications and produce better healthcare outcomes for the people of Hawaii. Thank you, Mr. Speaker."

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:

"Thank you, Mr. Speaker. I rise in strong support of H.B. 2913, which awards a grant to St. Francis Healthcare System to support the modified home care and community health demonstration project.

"Up to ten percent of our State's population has chronic kidney disease. The size of this segment of our population forces us to confront and address the challenge of providing the best care to those of our fellow citizens with chronic kidney disease. H.B. 2913 creates an opportunity to insure early detection and treatment of chronic kidney disease to delay its progression, prevent and treat complications of chronic kidney disease and produce better healthcare outcomes for the people of Hawaii."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2913, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KIDNEY DISEASE," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 889-08) recommending that H.B. No. 2005, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2005, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. House Bill 2005 expands the Renewable Energy Technologies Tax Credit to include solar electric energy systems, as well as some wind powered energy systems. The tax credits range from \$200 up to \$500,000. It includes residential homes, as well as commercial properties.

"I voted no in the Finance Committee because of a provision that was put in the amendment. A Representative here on the Floor spoke earlier about a company. I may not pronounce the name properly, but I think it was SOPOGY. They've asked for a special purpose revenue bond. They are planning to put up solar panels on marginal agricultural lands, and we're talking about many, many acres, and they will qualify probably for this \$500,000 tax credit.

"I think the idea of giving tax credits for alternative energy is because we're trying to encourage people to use these technologies so that we use less fossil fuel to make electricity. But in this situation, the representative from SOPOGY wanted the provision put in the bill that they could sell their tax credit to another party who needed tax relief, and they would get cash payment. That just somehow doesn't sit well with me.

"The tax credit is given by the government to encourage people to invest their money in these things and get some kind of break. And here we have a very large operation who's going to put some extra money in their bank account with a tax credit. And I don't think that's

what the tax credit expansion was for. Thank you, Mr. Speaker. I was speaking with strong reservations."

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:

"I rise in support. This bill would expand the renewable energy technologies tax credit to include solar electric energy systems. The reasoning is solar generated electricity can come from a broader range of technologies than just photovoltaic (PV), such as solar thermal systems that produce electricity. Thank you."

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

"Mr. Speaker, in support with just short comments. Thank you. An idea came up in testimony to offer low-interest loans to help people purchase these systems, and then repay the loans with savings from electricity bills. I felt that that made a lot of sense, and I hope that we would consider that in the future. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2005, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY TECHNOLOGIES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

At 12:26 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3286, HD 1
H.B. No. 2766, HD 2
H.B. No. 3008, HD 2
H.B. No. 3400, HD 2
H.B. No. 2913, HD 1
H.B. No. 2005, HD 1

At 12:26 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 1:28 o'clock p.m.

LATE INTRODUCTION

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

Representative Mizuno introduced the Honorable Mildred Elayado, Vice-Mayor of San Esteban, Ilocos Sur in the Philippines and her husband, Mr. Ray Elayado.

Representative Mizuno also introduced some former residents of San Esteban: Dr. Ramon Lores and his wife, Mrs. Violeta Lores; and Mr. Vlademir Valera and his wife, Mrs. Divina Valera. They were accompanied by Dr. Benedito Galindo, Ms. Nena Benitez, Mr. Rey Edralin, and Ms. Cristina Ugale, as well as Representative Mizuno's staff, Mr. Edgar Fernandez.

UNFINISHED BUSINESS

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 891-08) recommending that H.B. No. 2505, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2505, HD 2, entitled: "A BILL FOR AN

ACT RELATING TO ENERGY," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 892-08) recommending that H.B. No. 2506, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2506, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of this bill. Several Departments have testified in opposition of this bill for reasons ranging from resource implications to the premature nature of the bill, recommending that Act 253 be allowed to proceed to completion before a reorganization study is commissioned. I am concerned that there are several ongoing actions aimed at addressing energy self-sufficiency and environmental protection, and that we haven't given these programs an opportunity to present first its findings and second their plan. Reorganizing prior to the fruition of Act 253 may be premature. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2506, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REORGANIZATION OF STATE AGENCIES," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 893-08) recommending that H.B. No. 2507, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2507, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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. I'm rising in support with some strong reservations on Stand. Com. Report 893. This bill appropriates funds to establish two new positions within DBEDT to support the implementation of Act 234, which requires statewide reduction of greenhouse gases to 1990 levels by the year 2020. I'm concerned about these two new positions.

"The bill does not point out the background requirements that these folks should have. And also, it doesn't have any provision in there that would make sure that the Chairperson or the executive in charge is independent of any company that they would possibly be regulating. They shouldn't have a conflict of interest. The way the bill is written, I don't think it ensures that can't happen. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2507, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GREENHOUSE GAS EMISSIONS REDUCTION," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 894-08) recommending that H.B. No. 2510, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2510, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I am voting with reservations on 894 and have short comments. Mr. Speaker I believe that we passed this out in our Legislative Budget in which has since been approved, so I just think this possibly could be duplicative. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2510, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 896-08) recommending that H.B. No. 2952, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2952, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, this is a bill relating to transportation and to the airports. I am in opposition. Basically this is an additional fee that the Department of Transportation can assess on rental cars. We presently have one for \$3 a day, and I think we're considering extending this. So this would be in addition to that. It makes it kind of expensive for people who rent cars: military people, visitors and residents alike.

"This bill pertains to airports Statewide and can be assessed to all airports, and yet the money that will be collected by this is to build a facility here on Oahu. There was a lot of strong opposition to this measure, particularly from other car rental agencies. It was quite strong opposition, which surprised me. We have raided various funds before, especially the Department of Transportation Highway Fund and so I think that this is another Fund that may be a target for the Legislature.

"Also the Director of the Department of Transportation apparently can unilaterally assess this fee and set the fee, or raise it or lower it. And if this is the case, it's another reason why I am in opposition. Thank you."

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

"Thank you, Mr. Speaker. I am voting with strong reservations and may I have the testimony of the Department of Transportation to the Committee on Finance entered into the record as if it were my own. Thank you."

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

"Mr. Speaker, I also rise in opposition to this bill. I think it's premature. There's not consensus among the rental car agencies whether it's needed.

"Mr. Speaker I know you and many of us travel through the airport, and when we rent a car, if we have to get on a bus to get to the rental car, it would seem even more inconvenient. So in view of the visitor industry that we do service, moving all of these rental car

agencies off the airport, that may not go well with the fact that we're charging them more.

"We already have a \$3 a day charge that we're charging them. So I think this is 'half-baked' and we need to examine this before we really go forward. Thank you."

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

"Thank you, Mr. Speaker. On that measure, could you note my reservations for similar reasons as mentioned by previous speakers?"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2952, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 39 ayes to 8 noes, with Representatives Brower, Ching, Green, Marumoto, Meyer, Pine, Thielen and Ward voting no, and with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 898-08) recommending that H.B. No. 2301, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2301, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, as I recall this is the anti-Wal-Mart, anti-Costco, anti-'big box' bill that unfortunately speaks to the high cost of living and that we don't want people who are less economically able to afford dentistry because we don't want dentists, according to this bill, to be able to open up a shop or an agency within the confines of those buildings.

"I think that's a constraint of trade. I think it's a punishment to those people who don't have otherwise access to dentists. And I know one of the points in opposition was the notion that if in the middle of the night you're bleeding and you can't get into Costco or to any of these places, there can be other arrangements that can be made for those emergencies. There are many dental offices around. There are many dentists who can attend to those emergencies.

"So I think this bill is again premature, misplaced and a constraint of trade for the sake of the less economically well off in Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2301, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DENTISTRY," passed Third Reading by a vote of 46 ayes to 1 no, with Representative Ward voting no, and Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 899-08) recommending that H.B. No. 2954, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2954, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I am rising to express some reservations about this measure. This relates to tow-truck companies, they're probably not the most popular company on the road out there, for people who've had to recover their cars from a tow lot. What this bill

does is it accomplishes a trade-off. It says to the tow companies, you can increase your prices for towing a vehicle, provided you stay open 24 hours a day. That would apply really only to this island.

"It was brought to my attention by a person who sent in an email that some of the tow companies engage in a process called 'roaming' or 'fishing.' They go by an area where they know that people might be parked somewhat illegally. They go ahead and start to hook up the car, when the people happen to come out and say, 'Wait a minute. I was just in there for two minutes. Unhook my car please,' the tow company, at least the one that this person is writing about, the tow company refused. They towed the car, even though the tow company was told by the condominium operator to unhook the car. The tow company refused, towed the car out and it was a \$220 fee to recover that vehicle.

"I'm concerned about letting them have more money. I like the idea that they have to be open 24 hours a day on an island with a population of more than 500,000, but I really am concerned about giving them anything more until they start adopting procedures that don't include this roaming or fishing kind of operation. Thank you."

Representative McKelvey 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 H.B. No. 2954, entitled: "A BILL FOR AN ACT RELATED TO TOWING," passed Third Reading by a vote of 45 ayes to 2 noes, with Representatives Green and Pine voting no, and with Representatives Nakasone, Sagum, Souki and Takai being excused.

At 1:42 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2505, HD 2
H.B. No. 2506, HD 2
H.B. No. 2507, HD 1
H.B. No. 2510, HD 2
H.B. No. 2952, HD 2
H.B. No. 2301, HD 1
H.B. No. 2954

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 903-08) recommending that H.B. No. 2211, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2211, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR WASTEWATER PROJECTS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 904-08) recommending that H.B. No. 2357, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2357, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I am rising with reservations on this and have short comments. This is one of several important agriculture land bills moving through the Legislature, and I believe it is one of the better IAL bills. My main concern however is a fiscal one. At a time when we as a body are asking State government to tighten its belt, the refundable tax credit in this measure sounds like corporate agricultural welfare.

"The Department of Agriculture in their testimony recommended that this credit be made a refundable tax credit, that there be a recapture feature, and that a 10-year sunset date be established. These recommendations, I believe are good in light of the Department of Taxation's revenue loss projections that start off at \$12.719 million in fiscal year 2009, and accelerate to \$25.28 million in 2013, with a \$25.28 million revenue loss projection annually thereafter.

"In light of this, I hope that as this bill moves forward and we tackle the tough issue of important agricultural land, and that we look at some of these recommendations by both the Department of Agriculture and the Department of Taxation. Thank you, Mr. Speaker."

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:

"I rise in support. The purpose of this bill is to provide incentives to establish and sustain viable agricultural operations on important agricultural lands (IALs). Specifically, this bill, among other things:

1. Excludes from gross income, adjusted gross income, and taxable income, rental income, up to an unspecified maximum amount, derived from agricultural leases on lands designated as important agricultural lands (IALs) under certain conditions;
2. Exempts rental income, up to an unspecified maximum amount, derived from agricultural leases on lands designated as IALs from the general excise tax;
3. Allows landowners to develop, construct, and maintain residential dwelling units for farmers, employees, and their families on IALs under certain conditions;
4. Establishes an IAL Qualified Agricultural Cost Tax Credit;
5. Allows the Chairperson of the Board of Agriculture to guarantee loans made by commercial lenders to agricultural producers for the development and implementation of agricultural projects located on land designated as IALs, under certain conditions;
6. Requires the master irrigation inventory plan of the State Agricultural Water Use and Development Plan to include the identification of sources of water used by agricultural operations, particularly those on lands designated as IALs; and identification of current and future water needs for agricultural operations on lands designated as IALs; and
7. Requires certain agencies that issue permits to implement a procedure for priority processing of permit applications and renewals for agricultural processing facilities that process crops or livestock from certain agribusinesses.

"The goal of the incentives and protections included in this bill is to establish and sustain viable agricultural operations on important agricultural lands. The amount of tax credits is a work in progress as we await revenue updates from the Council on Revenues in order to balance our State budget. Thank you."

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

"Mr. Speaker, I wanted to rise in support of this measure. I know that it's somewhat controversial, but I believe that allowing farmers to build a house on farm land that they are leasing from a property owner would be a good thing in that we want to encourage farmers and that's one of the problems. So much of the agricultural land, they cannot build a home and it makes it hard. They have to cart their tools back and forth, or take the chance of having somebody go onto

that property and help themselves to their crops or take their tools. I think it would encourage more people to get involved in agricultural pursuits. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2357, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 905-08) recommending that H.B. No. 3177, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3177, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PENALTIES FOR VIOLATIONS WITHIN THE CONSERVATION DISTRICT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 906-08) recommending that H.B. No. 2739, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2739, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I rise with one reservation on 906-08. Thank you, Mr. Speaker. This House draft allows agricultural businesses to continue to qualify for zone benefits in case of *forced majeure* events, includes lease and jointly employed workers in high rate formulas, changes schedule of hiring increases, counts value-added agricultural product to retail sales toward qualification for tax credits and disallows general excise tax exemption for agricultural product to retail sales.

"My reservation is, instead of using as a measurement, the employment, it should be based on increased revenues. HD 1 still doesn't address the concerns pointed out by the affected parties in the original draft. Mainly, that it is challenging to make the increase and fulltime employee requirements especially when agricultural labor is in short supply. DOA proposed an alternative measurement such as an annual increase in gross income by two percent is something that would be more attainable. Thank you."

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I would like to make brief comments on this measure.

"We all know that tax credits and Enterprise Zones (EZ) are one of the Legislature's primary means of stimulating economic growth. However, by trying to ensure the efficacy of a program, we sometimes get in the way of that program's success. In the case of the EZ program, the shortcoming has been its requirement that businesses make new employee increases throughout the period of their EZ tax benefits, even as those benefits decrease.

"This bill keeps with the intent of Enterprise Zones, which is to create economic development via job creation while alleviating the stress on businesses to increase their workforce during their early years.

"For these reasons, Mr. Speaker, I support this measure. Thank you, Mr. Speaker."

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

"Mr. Speaker, in support. In response to the Minority Leader, we did pass a measure last year to deal with the two percent increase and currently it's in the Senate. This bill is just another option to meet the actual intent of an Enterprise Zone, which is to increase employment in the area that is suffering economically. So this is just another option. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2739, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 907-08) recommending that H.B. No. 2860, HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2860, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 909-08) recommending that H.B. No. 2972, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2972, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 912-08) recommending that H.B. No. 2985, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2985, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise to speak against H.B. 2985, it's the Hotel Renovation Tax Credit. I have a problem with this. The tax credit doesn't come into effect until 2014. I don't know what our financial situation will be at that point. But if it continues to be on a downward slide we could be at a place where we just can't give out those taxes and we would have locked ourselves into that sort of a thing. Because a hotel will be making plans six years out, or might be making plans six years out and then all of a sudden realize that they can't afford this economically. I just don't think that this is a good idea. Thank you."

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

"Thank you Mr. Speaker, in strong support. Mr. Speaker, we had a similar bill in the late 1990s and we did pass that. Unfortunately Governor Cayetano vetoed it. If that had become law, we would have stopped the conversion of hotel rooms to condos and timeshares.

"We have an aging visitor industry inventory. We compete worldwide. We would be better off with this bill if we made those tax

credits immediate so we could stop those conversions that have cost us employment opportunities and taxes. Thank you."

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

"Mr. Speaker, I stand in strong support and I would like the words of the previous speaker entered in the Journal as my own. And I would also like to add that in the event of an economic downturn, I think that this bill would provide the kind of incentives that would spur the economy and create those jobs. Not to mention it enhances our tourism product, as well provides those opportunities. I speak in strong support. Thank you."

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

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

"With strong reservations, Mr. Speaker. Just last year they opened the Beach Walk. The President and CEO of Outrigger Hotels talked about how this is such a great time for the hotels because never before have they had so much equity to use, to play around with their money and to remodel their hotel.

"I'm just a little concerned. We have rail coming in that the City increased taxes for, that is going to provide a lot of jobs. We are talking about completely redoing the UH System and that will stimulate jobs as well. Now we're talking about giving tax credits to big business. At a time when some of our taxes and fees, especially at the City and County level, we have the highest rates for just regular people. I'm just concerned the emphasis this Session is giving big tax breaks to big business, and very little tax breaks to the regular person in Hawaii."

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. My concern is that I believe the 15 percent tax credit is too generous. I believe that when the Outrigger did all those renovations in Waikiki, I think for some of the years it was a four percent tax credit, and then it was a 10 percent tax credit. They were happy to have that. As the Representative from Ewa said, many of these hotels have a lot of equity. They have a lot of borrowing power. Every time we give a tax credit, we are taking money. We are assuring that less money goes into our treasury. I think we have quite a few projects going as the Representative from Ewa said, and I think we should take another look at this."

Representative Herkes rose to respond, stating:

"To be clear. Our equity in hotels came from the conversion of hotels rooms to condos and timeshares at the cost of taxes and employment opportunities."

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

"Mr. Speaker, I am standing in strong support. Mr. Speaker, we've talked about giving tax credits for big business. The purpose of this bill is to use fiscal policymaking to be counter-cyclical to a possible recession.

"Mr. Speaker, if you look at the numbers, and the projections of the potential visitors coming from the US East, as well as our Japan neighbors, the number could be flat or in decline. The goal of this bill is to increase actual spending when the economy is struggling. Allowing enough time for companies to obtain permits and maintain our labor pool with people working during time with a potential recession. This bill, if you look at it, requires foresight and planning.

"The concept behind this is one in which I looked at the cycles of our economy. Looking at the current infrastructure and inventory that are struggling in Hawaii. This bill was drafted with the sole concern that we may enter recession.

"Mr. Speaker, our future, our laborers, our workers should be our primary concern. Typically during a recession period, and for our edification, is signified by two consecutive quarters of decline by our Gross Domestic Product. Members, our GDP is defined as equaling as private consumption plus investment, plus public spending, plus a change in inventories, as well as adding exports minus imports. This bill was an attempt to look at all stimulus factors involving or impacting our tourism industry.

"Mr. Speaker, keeping our workers working is the thing we need to plan for the future. If you do the research and you look at the business cycles, it's estimated that prior to 1945, business cycles lasted 21 months. Currently, after World War II, they average 11 months. Some predict that the current recession pending us will last five years, Mr. Speaker. This bill allows a tax credit to be accessed six years from now. And this is the purpose.

"If you look at and talk with industry leaders and developers, many say it takes a minimum of six years from planning a concept to actual development. Colleagues, what I want you to imagine and look at is the fact that we are planning and allowing private industry to plan renovations, giving them an option to use potential revenues from this cost savings of this tax credit to continue or add additional projects within the hotel, keeping our labor pool working, which will in turn use this income as disposable income, putting back into our economy, buying products from our stores and keeping our inventory moving.

"Mr. Speaker, this is an attempt to make sure we prepare, not two years out, but six years out. Thank you."

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

"Thank you very much, Mr. Speaker. In opposition. I am reminded that politics make strange bedfellows on this one. Very interesting.

"As a general principle, I do appreciate the comments made by the previous speaker about looking long term. But as a general principle, we should extend tax credits, abatements, subsidies, holidays and all the rest of it, and when it is strategic, it is an overall goal in mind. I don't quite see it in this bill. I realize it's a work in progress and we will obviously see how it progresses during the Session. Who knows what my support will be at the end of Session.

"My concern is that I don't get the big picture. I don't see how giving the tax credit to a specific industry fits the overall goal of our State economy. We could easily give that to homeowners' renovations. We could give that to any other types of industry, but not just the hotel industry.

"Secondly, the measure doesn't have any conditions for this tax credit. That was my opposition to the previous tax credit we gave to the development out at Ko Olina. A hotel could hire people at minimum wage, whereby actually driving down the construction industry, when in fact the point should be to employ people at good jobs and fair wages.

"And I also believe that the whole issue of tax credits, I believe should be looked at it in a comprehensive way rather than piecemeal, fragmented and certainly benefitting one industry over another. Thank you, Mr. Speaker."

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

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

"Mr. Speaker, brief comments in support of this measure. Mr. Speaker, I remember when I first got elected, I met with Doc Kelley to talk to him about putting in a tax credit bill for hotel renovation. He said that with the credits that were being proposed at that time, about four years ago, Outrigger instead of doing condo hotels and timeshares would have done hotels which would have generated a lot more jobs in the hotel industry and helped people find jobs in our State. Long-term, good paying jobs, union jobs. Those jobs have disappeared and the industry has gone in the direction, as we've read about in the paper, of condo hotels and timeshares, meaning less people employed.

"The other point Mr. Speaker, is that our tourism has to compete on an international level. And we are watching more and more tourists being sucked away to Asia, places like Thailand, to Australia, Europe, to Africa, to South America, as it should do if they are competing strongly in an international market. We need to compete. We need to rehabilitate our infrastructure. We need to upgrade our hotels or we are going to fall further behind.

"Tourism, whether you like it or not, is our number one employer in our State. It is the number one economic driver in our State. We need to play to our strengths. We need to remain strong, and that means upgrading our hotel infrastructure throughout our State. This bill is a good bill on many levels. I hope people will support it. Thank you."

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

"Thank you, Mr. Speaker. I rise in support of this measure. I must say I agree with both of the Majority Leader and both Chairs of Tourism and Consumer Protection & Commerce. I'll back-up the Majority Leader when he spoke about the Outrigger. My understanding is also that they would have built hotels instead of timeshares. Timeshares are more doable, but our hotel guests had to spend more money per day than timeshare guests. We do need those dollars.

"I've always favored a tax credit to help out the aging Waikiki hotel infrastructure. I opposed the \$75 million tax credit that would have gone to one resort, Ko Olina on Oahu. But we need more hotel rooms in the Waikiki area because the Convention Center is dependant on these guests. There are some conventions that are too large for the number of hotel rooms that we have in this area.

"So I would strongly urge that we look at expanding our tourism industry, and we all want that. But you notice there are very few new hotel rooms that are being built in Waikiki. So I urge you to look at this bill favorably. Perhaps 15 percent is too much, but definitely, whatever you could do to help the developers of hotel rooms would be appreciated. Thank you."

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

"Mr. Speaker, in support. We've had a lot of great debate on this subject. There are probably a lot of good reasons not to support a tax credit. In this situation, I support it for a couple of main points.

"One, that we do have a lot of hotels being taken out of service. And the simple fact, in addition, is that although beachfront properties can command high room rates, properties that are not beachfront can't. And they may need help if they are going to be developed.

"In addition, I would add that we may want to look into further property development of Kuhio Avenue because this is where a lot of new growth will take place that will need measures like this to stay competitive. Like the Majority Leader mentioned, Hawaii on a State

level must compete with countries on an international level for tourism dollars. I think that this is a step in the right direction to preserve our hotels and keep our timeshares in check. Thank you."

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

"Thank you, Mr. Speaker. Could I have the words of the Representative from Waialae entered as if they were my own? And just briefly, I had some conversations this summer with several large groups that were doing conventions on the mainland. I asked, 'Why don't you come to Hawaii to do a convention here?' They said, 'You don't have enough hotel rooms for us.'

"This is a real problem. We are losing business. And this is a free-market approach to stimulate more hotel construction. And you want to know why TVRs are such a big issue? No hotel rooms. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2985, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 41 ayes to 7 noes, with Representatives Belatti, Berg, Meyer, Morita, Takumi, Thielen and Wakai voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 914-08) recommending that H.B. No. 2807, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2807, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"I rise in strong opposition to Stand. Com. No. 914-08. There's much that is problematic with this bill. I would like to focus on a provision that allows land owners to satisfy State or county affordable housing assessments in the urban district by providing affordable housing in the rural district.

"The policy of inclusionary zoning or establishing affordable housing requirements for market price developments in the urban district serves to increase the affordable housing stock within a specific community. Inclusionary zoning is not simply about satisfying the Statewide need for affordable housing. It is about the need for affordable housing in a specific location. By allowing developers to fulfill these requirements away from the urban core, this bill directly subverts remedies already in place that work to create more affordable housing where it is needed.

"There is no other area in my mind that represents the urban core more than the Kakaako District. Kakaako is a stone's throw away from two major job centers in our State: Downtown Honolulu and Waikiki. It was heartbreaking to hear an argument, events in a Finance hearing, that this district is best used by developing for rich, outside buyers and that, "Poor people would be better accommodated outside of Kakaako". My question is: better for who? This argument was made in support of a provision that would allow developers to move more affordable housing requirements out of Kakaako and away from market-price housing developments.

"What frightens me about his argument is the implicit understanding that poor people in this scenario are local working people. Middle class folks who are struggling to make ends meet in hopes of buying a home, whether it is a home in the sky or a house with a backyard. Many of us came to this Legislature as champions for the middle class, fighting for working people. I feel that this measure of expediting rural and urban development at the expense of affordable housing in the urban core hurts Hawaii's middle class by placing middle income, middle class workers, people who are

firefighters, nurses, teachers and policemen away from job and transportation centers. For this reason I am in strong opposition of this measure. Thank you."

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

"Mr. Speaker, I stand in strong support of this bill. I think the previous speaker misses the point of this bill. This bill deals with the important agricultural lands that lie throughout our State, mainly on the Neighbor Islands. This bill doesn't deal with Kakaako. This bill deals with agricultural lands.

"And workforce housing. Anyone who represents a Neighbor Island district of which neither I nor the previous speaker, nor any of the other Representatives in urban Honolulu represent, they understand, the incredible crisis that these people are facing today. These are middle class, hard working people who don't have housing in the district that they live in. They have to drive over to Kona to find a job, or to Waikaloa. This deals with that issue. It deals with a lot more, but it deals with this issue.

"It's incentivizing private owners to dedicate in perpetuity, 80 percent of their ag lands forever. That's what perpetuity means. In our short lifetimes, many of the peoples of this House, we've watched our ag lands get morgaged away, piecemeal by piecemeal. I can think as a little kid driving in from Waipahu to Liberty House in DOWNTOWN Honolulu, and seeing sugar cane growing in Aiea. Now it's housing. That may not be a bad thing, but how much more of our ag land do we let disappear under the current system.

"We have been delegated under the last ConCon of which many people here want to do another ConCon, to deal with the important ag land issue. We're dealing with it here. And were trying to address other issues along the way.

"People should support this bill for that reason. And if you step back Members, this Session, you look at the types of bills we're supporting, it's becoming pretty incredible in terms of the different land bills that we are passing, whether it be ceded lands, whether it be ag to energy, whether it be preserving ag lands, and so many other pieces of legislation. We're trying to focus on preserving what's best about our State and our lands. And instead of letting the perfect get in the way of the good, we should support this bill and we should support the other important ag land bills, and commend those who worked long and hard on it, and make it a legacy for this Session. Thank you, Mr. Speaker."

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

"In support. This bill, when the landowner designates 80 percent of their land to IAL, and 20 percent is going to urban renewal, what we are trying to do with the rural statue is support agriculture.

"If we look at it, we have agri-business activities. We include farm worker housing, and we include affordable housing. How will our workers be able to work and live in the same area if the area has million dollar homes? That's what we are trying to do, to create an environment that's supportive of the industry in the rural area.

"As far as the Kakaako issue, that's a separate bill. We're trying to increase the affordable units in those areas. So again, I just want to emphasize that this bill is a comprehensive bill. We are looking at protecting IAL, but at the same time we are trying to include infrastructure that supports the farmers that will be farming the IAL and their employees. Mr. Speaker, may I also have written comments in support?"

Representative Karamatsu's written remarks are as follows:

"I rise in support. The purpose of this bill is to provide incentives for landowners to designate their lands as important agricultural

lands (IALs). First, we are allowing a landowner, who has been granted a declaratory order from the Land Use Commission to designate all or some of the landowner's land as important agricultural land, to fulfill a State or county affordable housing assessment by providing affordable housing in lands zoned as rural in lieu of satisfying the assessment in the urban district. "Rural districts" was amended to include agribusiness activities, including horticulture, apiculture, aquaculture, plant nurseries, and the raising and keeping of livestock; farm worker housing; and affordable housing.

"Second, we are revising the landowner petition process for important agricultural land designation by specifying that a farmer or landowner may petition the Land Use Commission for declaratory order to designate lands as important agricultural lands in perpetuity. Farmers or landowners that petition the Land Use Commission for declaratory order to designate lands as important agricultural lands in perpetuity are allowed to seek, in the same petition, a reclassification of land from the agricultural district to the rural district, urban district, or a combination of both, under certain conditions.

"Specifically, under Hawaii Revised Statutes Section 205-45(b), the petitioner may seek a reclassification of land in the agricultural district to the rural district, urban district, or a combination of both; provided that the:

1. Land sought to be reclassified to the rural or urban district is within the same county as the land sought to be designated as important agricultural lands;
2. Reclassification of the land to the rural or urban district is consistent with the relevant county general, development, and community plans; and
3. Total acreage of the land sought to be designated or reclassified in the petition complies with the following proportions:
 - a. At least eighty per cent of the total acreage is sought to be designated as important agricultural land; and
 - b. The remainder of the acreage is sought to be reclassified to the rural or urban district.

"In a petition for a declaratory order submitted under Hawaii Revised Statutes Section 205-45 that seeks to both designate lands as important agricultural lands and reclassify lands in the agricultural district to the rural or urban district, the lands shall be deemed qualified for designation as important agricultural land if the Land Use Commission reasonably finds that the lands meet at least the criteria of subsection (c)(4), (6), and (8) of this section described below:

1. Hawaii Revised Statutes Section 205-44(c)(4): Land with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating Class A or B; or Class C or D if the land is currently in agricultural production or could be put into productive agricultural use with the implementation of new technology or development of irrigation water;
2. Hawaii Revised Statutes Section 205-44(c)(6): Land with sufficient quantities of water to support viable agricultural production; and
3. Hawaii Revised Statutes Section 205-44(c)(8): Land that contributes to maintaining a critical land mass important to agricultural operating productivity.

"The criteria in identifying important agricultural lands was tightened up for this specific petition for a declaratory order because we wanted to make sure that the agricultural lands being petitioned to be designated as important agricultural lands are good for agricultural productivity in exchange for the agricultural lands being petitioned to be reclassified to the rural or urban district. Thank you."

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

"Thank you, Mr. Speaker. I rise in opposition on this bill and request we change our language and not consider we are not dealing with land, but actually we are looking at how to address the issues of our communities.

"I oppose this bill for the following reasons. And I wish to, after I read a little bit, to enter comments into the Journal. The concept of packaging a designation of important ag lands which is 80 percent with a reclassification of other lands, 20 percent, of the same land owner to urban or rural district is a distorted way to promote either rational whole use planning or the protection of agriculture. While the packaging is supposed to be consistent with land use plans, there is a basic flaw in presuming that affordable housing belongs on land that is currently classified for the ag district. This notion completely ignores the fact that the State Office of Planning recently found that there are tens of thousands of acres of land already classified urban that are available for housing development.

"Disguising attempts to expedite land development for luxury residential subdivision by coupling it with a designation of IAL is neither logical nor wise. It would disregard and undermine the real attempts that are being made right now, of the agricultural attempts of small farms, by ignoring the externalities of allowing reclassification of ag lands with no serious thought of consequences.

"I know we are all deeply concerned about being able to provide the right guidance for our State, but many of the standards and permissible use in the rural district without greater community input is also an invitation to greater social conflicts and expensive litigation in the future. I request to add more comments to the Journal. Thank you."

Representative Berg's written remarks are as follows:

"Mr. Speaker, I rise in opposition of HB 2807. The concept of packaging a designation of Important Agricultural Lands (80%) with a reclassification of other lands (20%) of the same landowner to Urban or Rural District is a distorted way to promote either rational land use planning or protection of agriculture. While the packaging is supposed to be consistent with land use plans, there is a basic flaw in presuming that affordable housing belongs on land currently classified for the Ag District. This notion completely ignores the fact that the State Office of Planning recently found that there are tens of thousands of acres of land already classified Urban that are available for housing development.

"The coupling of 20% of one's land for reclassification to Urban or Rural with the designation of important agricultural land is no more than a gift to speculative investments in what will likely be luxury residential housing and urban or suburban sprawl across this State. It will literally open up the floodgates for more of the same kind of agricultural subdivisions proliferating across the State already, but this time without violating permissible uses in the Ag District. At the very least, it is a transparent attempt to transform an important exercise (identify IAL) with unlocking the door that is supposed to put a cap on urban sprawl and land speculation that ultimately kills off agriculture.

"Furthermore, by exempting this process from the provisions of HRS sec. 205-4, this process will bypass any procedural protections available to communities opposed to this kind of bad development by stripping interested parties of the right to a contested case hearing under HRS chapter 91. This procedure has been the only obstacle to unmitigated devastation of rural communities throughout the State, where money and power will override any rational land use planning or protection of agricultural activities and land. This is one reason alone to kill this bill.

"Disguising attempts to expedite land development for luxury residential subdivisions by coupling it with the designation of IAL is neither logical nor wise. It would disregard and undermine real attempts at sustaining small farms by ignoring externalities of allowing reclassifications of agricultural land with no serious thought of the consequences. Amending the standards and permissible uses in the Rural District without greater community input is also an invitation to greater social conflicts and expensive litigation in the future.

"The only rational approach is to defer all the ad hoc legislation being thrown at the public under the disguise of identifying important ag lands, and invest in a facilitated community-based discussion amongst all important stakeholders in the agricultural and rural sectors to come up with a consensus approach to amending the standards and permissible uses in the Rural District, which will be the key buffer between incompatible Urban land uses and true farming on Ag District lands. That investment will reap more harmony and less conflict in future deliberations over land use in Hawai'i. The failure of the counties to perform this function under Act 205 (SLH 2005) signaled the start of the confusion and ad hoc proposals now being made 3 years later.

"I therefore urge my colleagues to vote against this bill. Thank you."

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

"Thank you, Mr. Speaker. I rise in support. The purpose of the bill is to provide incentives for landowners to designate their lands as important ag lands. A lot of landowners have been granted a declaratory order for the Land Use Commission to designate all or some of the land owner's land as IAL to fulfill the State or county affordable housing assessment by providing affordable housing on land zoned as rural to those satisfying the assessment in the urban district.

"And revising the landowner petition process for IAL designation by one, specifying that a farmer landowner may petition the LUC for declaratory order to designate land as IAL in perpetuity. And also allowing farmers or landowners that petition the LUC for declaratory order to designate land in IAL in perpetuity to seek in that same petition, a reclassification of land from agriculture to rural district, urban district, or a combination of both under certain conditions.

"In addition to offering landowners incentives to designate lands to IAL, these provisions will also provide an opportunity for enhanced usages that are appropriate for rural and designated areas. We envision that this provision represents a significant incentive that will encourage landowners to voluntarily designate the lands into IAL. Thank you."

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

"In support with slight reservations. Thank you. First of all, I want to applaud the Chair of Agriculture for being very creative because I think this is definitely an incentive.

"Just a comment on my slight reservation and that is, on the Big Island, they're doing affordable housing projects and what we are finding in the community is that it really isn't affordable. The main reason is that the cost of putting in the roads, the infrastructure, the sewage treatment, the water, the electrical, the lighting on the streets, it is so expensive that in the end, when they put it out as affordable what we've found is it's really middle income. It won't be low income homes that will be affordable to live there. So I have some concerns.

"The other thing is we just passed the 2050 Sustainability Plan and I believe that one of the things we are looking at is having these affordable housing projects close to the urban core so that they have access to mass transit, good public schools, park systems, and

support services for families. So I have some concerns that what might happen is you'll see these affordable housing projects on potentially marginal land a bit of a distance away from services. And so I'm wondering if we're really serving the affordable housing community. Thank you."

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

"Mr. Speaker, thank you. Just briefly, I rise in opposition of this bill. Just like the other bills I've read that have been introduced, they sound good, but I'm not comfortable with this. I know the word, in perpetuity, in this Chamber doesn't mean much to me. I know that we have a law that we, one Legislature, can not bind another. We might be voting for that bill today, that this important ag lands will be in perpetuity except for the 20 percent. What I don't know is, two years, or three years from now, what other set of legislators will be here and change all that for me.

"The other thing is that we want to build affordable homes. What is the definition for affordable homes? It's up to \$140,000 income per family of four. We all qualify for that Mr. Speaker. Thank you."

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

"In support, with some reservations. The only comment I want to make was that I really do think that it's great that the ag lands are going to be maintained in perpetuity. I would just like to see if we could encourage with the future drafts of the bill, that we also include the affordable housing component, that they are offered in perpetuity."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2807, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 40 ayes to 8 noes, with Representatives Belatti, Berg, Cabanilla, Carroll, Lee, Luke, Morita and Thielen voting no, and with Representatives Nakasone, Souki and Takai being excused.

At 2:17 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2211
H.B. No. 2357, HD 1
H.B. No. 3177, HD 1
H.B. No. 2739, HD 1
H.B. No. 2860, HD 2
H.B. No. 2972, HD 1
H.B. No. 2985, HD 1
H.B. No. 2807, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 917-08) recommending that H.B. No. 3064, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3064, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On SCR 917-08, I am with reservations. Basically, the HD 1 allows a taxpayer with an Adjusted Gross Income of \$20,000 or less, to take a refundable tax credit for the purchase and installing of a renewable energy technology which includes solar water heating, photovoltaic and wind systems. And \$20,000 of Adjusted Gross Income is not very high at all. So my reservation is just that when looking at someone who makes under \$20,000 in Adjusted Gross Income, can they even afford to do this technology and how beneficial would it be? Thank you."

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:

"Mr. Speaker, I rise in support with reservations on this measure.

"HB 3064 is unworkable. It will allow a taxpayer with an adjusted gross income of \$20,000 or less to take a refundable tax credit for the purchase and installation of a renewable energy technology. I don't believe this bill will achieve the goal it has set out to do. First, many people who have an adjusted gross income of \$20,000 or less will probably not take advantage of the tax credit. Many people who are in this income bracket are living paycheck to paycheck and will not be able to afford to purchase renewable energy technology equipment for their homes.

"Secondly, according to testimony by the Department of Taxation, they predict that there will be a revenue loss of \$41,000 in the next fiscal year if this bill passes. That low level of revenue loss predicts that very few people will avail themselves of this opportunity to receive a tax credit.

"We should look into a low interest loan program to help our citizens with installing renewable energy technology. A program with no-interest or low-interest loans would be far more effective. The State could provide the capital to acquire these devices and the taxpayer could receive a discount of 30% provided by the federal tax credit. The amount of the State loan could then be amortized by the energy savings realized by the taxpayer."

Representative Pine rose in support of the measure with reservations, and asked that the remarks of Representative Finnegan 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 H.B. No. 3064, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REFUNDABLE RENEWABLE ENERGY TAX CREDIT," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 919-08) recommending that H.B. No. 602, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 602, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"On Stand. Com. Rep. No. 919 dealing with the State Education Facilities Improvement Special Fund, I am in opposition. This bill removes the sunset in June 2008. We call it the SEFI Fund. The State Education Facility Improvement Fund was created more than a decade ago when the State was flushed with cash surpluses. However when the economy went down, the lawmakers took back the GET revenues and replaced the funding source with the proceeds of bond sales. The level of earmarking at that time was \$90 million. When pressed for an estimate of how much the DOE could reasonably undertake in the construction of facilities, it was discovered the DOE could only handle about \$45 million in projects in any given year. The level of earmarking was thus reduced to \$45 million in 1999. Then it increased to \$90 million in 2006.

"Mr. Speaker, rather than perpetuating this practice of earmarking tax revenues or bond proceeds, lawmakers should repeal the special funds of the earmarking for this purpose. This would force the DOE to explain why they are not capable of delivering badly needed school facilities on a timely basis. This type of special fund financing is a departure from sound fiscal policy. Special funds are appropriate for the revenue of funds to maintain some direct connection between a public service and a beneficiary of that service. Special funds that merely set aside general funds cannot be justified. This is about the exact same as the bill we voted on earlier today which would funnel off tax revenues directly to a special fund for the University of Hawaii. The SEFI Fund does the same thing for the benefit of the DOE. But that money no longer shows up on the financial statement as revenue because it never reaches the State treasury.

"In February 1991, the State Auditor issued a report that found that the Fund should be repealed and that educational facilities should be funded through the normal CIP appropriation process. We as lawmakers should repeal the automatic funding mechanism and make the administrators justify their expenditures for their construction of education facilities or explain their inability to do so. This would force the Board of Education and the Department of Education to deliver repairs on a timely basis or explain why they could not do the necessary repairs and maintenance. With the automatic earmarking Mr. Speaker, there is no reason to return each year to the Legislature and be held accountable for the lack of action. For those reasons I feel that I must vote no on this issue."

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

"Thank you, Mr. Speaker. I would like to speak in opposition and just insert short written comments. Thank you. And just some short comments. I spoke earlier on a similar bill on a method of funneling money away into a special account, a special fund and my written comments will be in regards to the transparency to the people of Hawaii. Thank you."

Representative Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in strong opposition of H.B. 602, H.D. 2 that repeals the sunset date for Act 304. The Department of Education is having difficulty managing its current \$2.3 billion budget and a management audit by the Legislature must be passed in order to hold the Department accountable.

"Testimony has been submitted opposing this bill stating that, "The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability." The Commission being referenced in the last statement refers to the Tax Review Commission. Earmarking tax revenues or bond proceeds and taking revenue from the general revenue fund limits the ability to fund according to priorities and eliminates transparency.

"Georgina Kawamura, Director, Department of Budget and Finance testified in opposition to this bill stating, "Any proposal to provide mandatory revenue diversion of funds limits the State's ability to fund priorities and could negatively impact the State's general fund financial plan." For these reasons Mr. Speaker, I oppose this bill. Thank you Mr. Speaker."

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

"In strong support, Mr. Speaker. For the edification of the Representative from Laie, as well as the Minority Leader, they seem to miss the point on the SEFI Fund. What this Fund does is create a private/public partnership via a subaccount. The subaccount essentially allows developers the ability to come in and build schools for those of us in districts that are struggling to find the money to build schools expeditiously.

"For the previous speakers to think that this is just funneling off money is absolutely ridiculous, and they clearly do not understand the point of this special fund. It's not about earmarking funds. It's about giving private developers the ability to build schools in partnership with the State, and essentially that is what we need for some of us in district where we can't build schools fast enough. For those reasons Mr. Speaker, I rise in strong support. Thank you."

Representative Meyer rose to respond, stating:

"Thank you, Mr. Speaker. Just a brief rebuttal. In this Committee Report and in this Bill, it says nothing about private/public partnership. The DOE can do that. This money is absolutely in this fund. It's taken straight off. As the tax comes in, it goes into the SEFI Fund. They don't have to lapse it if they didn't spend it all. G.O. bonds go into the same Fund. As I've said, this was started long ago. It is used for new schools. It is used for capital improvements. It is used for repairs. But it has nothing having to do with private/public partnerships. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. Just short comments. When it comes to building facilities, I don't think anyone, for areas such as Kapolei, I agree that the need for schools in the areas such as those in Mililani where they have multi-track type schools. That's not a good education system in my opinion. We shouldn't make the parents, teachers and kids go through that sort of situation.

"The problem that I have is the method in which we are doing it. And that's all it is. The method in which we are putting this money aside, not being transparent to the taxpayers of Hawaii. Another bill that does a better job I think, for those areas in which they need schools is the Facilities Realignment bill that is somewhere in here or passed already. Thank you."

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

"Mr. Speaker, in strong support. First of all, one point that needs to be made is that transparency is easily obtained by simply logging on to the DOE website, and there you can click onto, I think through the Superintendent's Office, the actual listing of projects that will be undertaken and these endeavors. So there is transparency just by clicking on, or just picking up the phone and calling. If people want more specific information, they can come to my office this afternoon and I'll give them a printout of these projects.

"Just for clarification, there is about \$3 million in deferred maintenance backlog in the DOE system, statewide. They need about \$75 million a year to stay afloat. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 602, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 46 ayes to 2 noes, with Representatives Finnegan and Meyer voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 921-08) recommending that H.B. No. 2792, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2792, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 922-08) recommending that H.B. No. 2076, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2076, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEPLETED URANIUM," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 924-08) recommending that H.B. No. 2323, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2323, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"In opposition. I don't have a problem with cleaning the beaches. My problem is with funding source. And may I have written comments?"

Representative Herkes' written remarks are as follows:

"Mr. Speaker, I am in opposition to this bill.

"Mr. Speaker, it is not that I am anti-beach or anti-beach restoration. My concern is the funding source.

"The Hawaii accommodations tax, or 'room tax', was established for the purpose of promoting tourism. Every year, attempts are made to 'raid' this Fund.

"When this 'room tax' was being considered by the Legislature, I advised my colleagues in the visitor industry that I would vote for it if they wished, but warned them that they could not count on past, present or future legislators to keep the commitment made to the industry that this Fund was to be used for visitor promotion and only visitor promotion.

"I cast my no vote as a matter of principle. Thank you, Mr. Speaker."

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

"Mr. Speaker, I need to get a ruling on a possible conflict of interest. One of my wife's clients is Kyo-ya Hotels who supports and is likely to benefit from this legislation. Thank you," and the Chair ruled, "no conflict."

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

"I will be voting against this mainly because there was quite a live reef off of Waikiki. In fact, it was right off the shore before they started doing beach nourishment and all that sand went over and smothered that reef completely. So until they come up with a better way of nourishing these beaches without destroying reefs, especially with this being the Year of the Reef, I can't support something like this. Thank you."

Representative Marumoto rose in support of 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:

"For whatever reason, many of our beaches are shrinking, eroding or shifting. The beach in front of the Sheraton Waikiki is one of those fast disappearing. Kuhio Beach is the most important beach in Hawai'i and is critical to our economy. While other resort destinations around the world have miles and miles of wide sandy beaches, our little beach in Waikiki is "manini". It needs fixing.

"This bill will provide a one-time infusion of maybe \$2 million (the figures are blanked out) matched by private funds for a total of maybe \$4 million to restore "resort beaches" – areas in front of hotels. The \$2 million comes primarily from the Hawaii Tourism Authority and the Tourism Accommodation Tax (TAT), and some of the money may come from the general fund (GF). In addition, the private matching funds, up to \$2 million, will be put up by the adjacent hotels.

"Most of these funds are "hotel" money. The TAT is the hotel room tax, and does not come from tour buses, nor bars, restaurants or shops or lei stands – just hotels. So the bulk of the funds needed for this resort hotel beach restoration bill is derived from hotels. I mention this because detractors think that State funds should not be used for a beach that will primarily benefit the adjacent hotel.

"I remind these detractors that beaches in Hawaii are public and open to all. This is another good reason why I'm supporting this measure."

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:

"I rise in support. This bill would establish within the Beach Restoration Special Fund, a sub-account to be known as the Resort Beach Restoration Fund to be administered by the Department of Land and Natural Resources (department), into which shall be deposited general funds appropriated by the Legislature and revenues from the Tourism Special Fund, which receives moneys from the Transient Accommodations Tax prescribed by section 237D-6.5(b)(2)(C) of the Hawaii Revised Statutes provided that:

1. No funds shall be released for expenditure from the Resort Beach restoration Fund unless matched by non-State funds on at least a one-to-one basis; and
2. No funds shall be released for expenditure from the Resort Beach Restoration Fund unless at least fifty per cent of the funds released are funds transferred from the Tourism Special Fund pursuant to section 237D-6.5(b)(2)(C).

"Moneys in the Resort Beach Restoration Fund shall be used to provide for the development and restoration of visitor area resort beaches, including maintenance of any improvements placed on the visitor area resort beach or in the nearshore waters, as determined by the Department, including debt service on any capital expenditures projects and the contracting for services for those purposes.

"The Resort Beach Restoration Fund is a creative way to get matching funds from the private sector that have a vested interest in restoring beaches fronting or near their resort hotels or tourist destinations. Importantly, the residents of the State of Hawai'i will also get to enjoy restored beaches with their family and friends. Thank you."

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

Representative Mizuno's written remarks are as follows:

"Mr. Speaker I stand in support of Stand. Comm. Report No. 924, HB 232, Relating to Beaches.

"Beaches are an integral part of Hawaii's coastal infrastructure. The natural resources and beauty of our beach areas are responsible for a significant amount of public recreation and commercial activity. In fact, our beaches are the number one destination for Hawaii's tourists.

"This bill before us takes the vital step in the pursuit of beach restoration. This measure will support efforts to manage, improve, and protect Hawaii's beaches, which will benefit both the visitor industry and our residents.

"Industry experts provide that restoration of Waikiki Beach could improve the satisfaction rating of tourists, translating to more return visits and millions of dollars in potential revenue.

"The key to this progressive measure for beach restoration – is using a combination of public and private funds.

"It is important to note that "no funds shall be released for expenditure from the resort beach restoration fund unless matched by non-state funds on at least one-to-one basis (calls for at least fifty percent of the funds released to be funds transferred from the tourism special find)."

"This bill also states "visitor area resort beaches" means sandy resort beaches that provide access, including but not limited to: Gray's beach, located in Waikiki on the island of Oahu; and Kaanapali beach located on the island of Maui.

"It's time to take a proactive approach to restore Hawaii's beaches. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2323, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BEACHES," passed Third Reading by a vote of 43 ayes to 5 noes, with Representatives Belatti, Berg, Bertram, Carroll and Herkes voting no, and with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 925-08) recommending that H.B. No. 2373, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2373, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Yamane's written remarks are as follows:

"This bill, regarding the Mookini Heiau in North Kohala, is all about protecting this precious area for future generations and their children.

"This Hawaiian sacred site was where Kamehameha the Great received his blessing and Birthrights in 1758. This is not just another State park, but one rooted in the history of our Native Hawaiians.

"Ms. Leimomi Mookini Lum (a Kahuna Nui) a direct descendent of Kahuna Nui Kuamoo Lookini, has dedicated this area to the children of the world.

"It is important that we protect this 2.915 acre monument with a small appropriation to make this site green.

"Imagine our children visiting this site, seeing brown withered grass over a breathtaking and inspirational view.

"Mr. Speaker, this small appropriation will benefit the children of today, be appreciated generations into our future and show our ancestors that we respect and honor where we came from.

"Mr. Speaker, your Committee on Tourism and Culture reveres and honors what is culturally important to this great State. This appropriation is a small way of honoring our culture."

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

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

"Mr. Speaker, in support. May I have the written comments of the Chair of Tourism entered into the record as if they were my own?" and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2373, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MOOKINI HEIAU," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 931-08) recommending that H.B. No. 2662, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2662, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Belatti 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 Belatti's written remarks are as follows:

"I rise with reservations on House Bill 2662, H.D. 2 – Relating to Affordable Housing. As noted by my earlier comments on House Bill 2807 and the importance of enforcing affordable housing requirements, I am deeply concerned that this bill exempts developments from State affordable housing requirements. As noted in the City and County of Honolulu, Department of Community Services' testimony in opposition to this measure, the Department stated that "[o]ther housing projects built without government assistance but utilizing the exemption provisions [of HRS Chapter 201H] have complied with the existing affordability requirements.' In light of the lack of affordable housing available to our local residents, I am not sure allowing an exemption from affordable housing requirements is the right approach to follow."

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

"Thank you, Mr. Speaker. In support. This bill encourages public/private partnerships to create affordable housing. This measure provides exemptions to the buy-back provisions and shared depreciation equity. It does limit it to only projects where it's solely on private land and does not have any government financing or subsidies. So hopefully it would accomplish the goal and encourage the private sector to be involved, but it is open for more discussion. Thank you."

Representative Berg 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 H.B. No. 2662, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Third Reading by a vote of 47 ayes to 1 no, with Representative Sonson voting no, and with Representatives Nakasone, Souki and Takai being excused.

At 2:29 o'clock p.m., Representative Caldwell requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:34 o'clock p.m.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 934-08) recommending that H.B. No. 2583, HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2583, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT OPERATIONS," passed Third Reading by a vote of 48 ayes, with Representatives Nakasone, Souki and Takai being excused.

At 2:35 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3064, HD 2
H.B. No. 602, HD 2
H.B. No. 2792, HD 2
H.B. No. 2076, HD 1
H.B. No. 2323, HD 2
H.B. No. 2373, HD 1
H.B. No. 2662, HD 2
H.B. No. 2583, HD 2

At 2:35 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:09 o'clock p.m.

At this time, the Chair announced:

"Members, the Chair would like to take action on Standing Committee Report No. 947-08 that was placed at the end of the calendar earlier in the day. We will be taking action now."

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 947-08) recommending that H.B. No. 3367, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3367, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

At 3:10 o'clock p.m., Representative Finnegan requested a recess and the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 3:11 o'clock p.m.

At this time, Representative Finnegan offered Floor Amendment No. 1, amending H.B. No. 3367, HD 2, as follows:

SECTION 1. House Bill No. 3367, House Draft 2, is amended by is amended by [sic] deleting its contents and replacing it with the following language, to read as follows:

"SECTION 1. The legislature finds that despite clear restrictions on expenditures imposed by chapter 138, Hawaii Revised Statutes, and no enabling legislation being passed to authorize such actions, the wireless enhanced 911 board reported in a fiscal year 2007 report that it intends to expend the balance of the wireless enhanced 911 fund (\$20,157,156.50 as of December 31, 2007) for projects to expand coverage in rural areas and in-building coverage, and other future technologies not yet identified by the wireless community. Also stated in the report was the board's intention to spend

\$1,385,000 to retain a consultant to manage the improvement of wireless coverage within public buildings.

The fiscal year 2007 report is deficient in not providing a progress report on each public safety answering point, wireless service provider, and wireline provider, although it does report that the State moved from 14.8 per cent to 89.8 per cent deployment of wireless enhanced 911 service. That being the case and there being a \$15,000,000 gap between the current fund balance and the proposed fiscal year 2008 expenditures, the legislature finds that it would appear the fund contains far in excess of the funds the board needs and that the surcharge should be reduced.

The legislature further finds that the wireless enhanced 911 board's administration of the wireless enhanced 911 fund has preempted both the department of health's statutory mandate to assist each county in the development of a 911 emergency telephone system and the county council's role in determining whether provision of wireless enhanced 911 services is a budget priority within their respective jurisdictions.

The purpose of this Act is to:

- (1) Reduce the wireless enhanced 911 surcharge to 43 cents;
- (2) Provide that funds expended from the wireless enhanced 911 fund for reimbursement of capital costs shall supplement, but not supplant, funds regularly appropriated by the counties;
- (3) Require the wireless enhanced 911 board to annually present a plan to the legislature prior to each regular legislative session that:
 - (A) Specifies a surcharge no greater than is necessary to meet its expenses and planned expenditures; and
 - (B) Proposes to refund surplus surcharge funds;
 and
- (4) Require the Auditor to conduct a financial and management audit of the wireless enhanced 911 fund."

SECTION 2. Section 138-4, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) A monthly wireless enhanced 911 surcharge, subject to this chapter, ~~shall~~ may be imposed upon each commercial mobile radio service connection.

(b) ~~[The effective date of the surcharge shall be July 1, 2004.]~~ The rate of the surcharge shall be set at ~~66~~ 43 cents per month for each commercial mobile radio service connection. The surcharge shall have uniform application and shall be imposed on each commercial mobile radio service connection operating within the ~~[State]~~ state except:

- (1) Connections billed to federal, state, and county government entities; and
- (2) Prepaid connections."

SECTION 3. Section 138-5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) After January 1, 2005, every public safety answering point shall be eligible to seek reimbursement from the fund solely to pay for the reasonable costs to lease, purchase, or maintain all necessary equipment, including computer hardware, software, and database provisioning, required by the public safety answering point to provide technical functionality for the wireless enhanced 911 service pursuant to the Federal Communications Commission order. Reimbursements under this section shall supplement but not supplant

the funds regularly appropriated for these purposes. All other expenses necessary to operate the public safety answering point, including but not limited to those expenses related to overhead, staffing, and other day-to-day operational expenses, shall continue to be paid through the general funding of the respective counties. For the purposes of this subsection, "operational expenses" include any charges for ongoing service provided by the local exchange carrier."

SECTION 4. Section 138-6, Hawaii Revised Statutes, is amended to read as follows:

"~~[§138-6]~~ **Report to the legislature.** The board shall submit an annual report to the legislature ~~no later than twenty days prior to the convening of each regular session of the legislature, beginning with the 2009 regular session,~~ including:

- (1) The total aggregate surcharge collected by the State in the last fiscal year;
- (2) The amount of disbursement from the fund;
- (3) The recipient of each disbursement and a description of the project for which the money was disbursed;
- (4) The conditions, if any, placed by the board on disbursements from the fund;
- (5) The planned expenditures from the fund in the next two fiscal ~~[year:]~~ years;
- (6) The amount of any unexpended funds carried forward for the next fiscal year;
- (7) A cost study to guide the legislature towards necessary adjustments to the fund and the monthly ~~[surcharge:]~~ surcharge that:

(A) Specifies the level of surcharge necessary to fund the board's expenses and planned expenditures; and

(B) Proposes to refund surcharge funds in excess of the funds necessary to fund the board's expenses and planned expenditures; and

- (8) A progress report of jurisdictional readiness for wireless E911 services, including each public safety answering ~~[points,] point,~~ wireless ~~[providers,] service provider,~~ and wireline ~~[providers,] provider.~~ The report shall include the status of requirements outlined in the Federal Communications Commission Order 94-102 and subsequent supporting orders related to phase I and phase II wireless 911 services."

SECTION 5. The auditor shall conduct a financial and management audit of the wireless enhanced 911 fund to address the following issues:

- (1) The role the wireless enhanced 911 board should play in assisting the counties in deployment or operation of wireless enhanced 911 in light of the department of health's duties assigned pursuant to paragraph 321-224(a)(7) and 321-225(a)(6), Hawaii Revised Statutes, and the responsibility of the county councils to determine whether provision of wireless enhanced 911 services is a budget priority within their respective jurisdictions;
- (2) Whether the statutory authority to reimburse the public safety answering points and the wireless service providers for costs incurred to deploy wireless enhanced 911 services includes, or should include:

(A) The ongoing cost of operating 911 call centers, including trunking line charges, answering position charges and long

distance calling charges assessed by the local exchange carrier;

- (B) The cost incurred for acquiring personnel services by contract that would be prohibited if acquired by hiring personnel; and
 - (C) The cost of equipment that may also be used to process wireline 911 calls;
- (3) Whether the wireless enhanced 911 board should be expending funds from the wireless enhanced 911 fund to purchase products for use by the public safety answering points rather than reimbursing the counties for those purchases;
 - (4) Whether the wireless enhanced 911 fund serves the purpose for which it was created and reflects a clear link between the benefit sought and charges made upon the users or beneficiaries of the program, as opposed to serving primarily as a means to provide the program or users with an automatic means of support which is removed from the normal budget and appropriations process; and
 - (5) Any other issues pertinent to the audit revealed by its review of the wireless enhanced 911 board's records and interviews of its personnel.

The auditor shall submit a report to the legislature no later than twenty days prior to the convening of the 2009 regular session, containing findings and recommendations, including any proposed legislation and identifying alternative forms of funding concerning how the wireless enhanced 911 fund has been managed and the moneys in the fund are expended.

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on June 29, 2008."

Representative Finnegan moved that Floor Amendment No. 1 be adopted, seconded by Representative Meyer.

Representative Finnegan rose to speak in support of the proposed floor amendment, stating:

"Thank you, Mr. Speaker. I appreciate the opportunity to take this amendment up at this time in the day to help us in regards to the 48 hour time period. So, thank you very much.

"Basically, my arguments will be short, in support of this amendment. It is to go to a HD 1 which states basically that we can reduce this surcharge, the 911 Wireless Surcharge down to 43 cents from 66 cents. And Mr. Speaker, it's very simple. It's just wanting to have the cellular users of the State of Hawaii be able to lessen their cost.

"Personally for me, anything that can help us on the level of our home finances would be helpful. We've made significant strides in regards to having 911 wireless service throughout the State that shows in reports back to the Legislature. So basically, this is just looking at ways where we can lessen the expenses on the family budget. For myself, we have about five cell phones within my household. So, maybe I should ask if I have a conflict since we own five cell phones within our household," and the Chair ruled, "no conflict."

Representative Finnegan continued, stating:

"Thank you. But Mr. Speaker, just short comments in support. I think that this will help. And the State Comptroller also said he would still be able to, within the amount of the surcharge, at the

lower amount, that he would still be able to get to the other areas in which, the remote areas in the State, be able to get service to them with the lower amount. Thank you."

Representative Herkes rose to speak in opposition to the proposed floor amendment, stating:

"Thank you. In opposition to the proposed HD 3. This is just Crossover and we have a long way to go on this bill. Let me say this. This deals with the public safety and this State's preparedness for national disaster.

"The E-911 is a two-way street in identifying where you are, if at all possible. And we should be looking at the possibility of a Reverse E-911. And that's the case in my district where huge areas are blanked out. There's no radio, no wireless, there's nothing. People that are stranded or hurt in those areas, you're not going to find them. If you take the people in Ocean View who have put together their own disaster plan, they have developed a Reverse 911. They should be looking at Reverse Wireless 911.

"The purpose of the bill is we want to put a fire under the Wireless Board. We want to make them do their job. We want an audit to come back and say, 'Why aren't you reaching out to these rural areas?' because they're not. They're not. And it's difficult for someone from Oahu to understand what these rural areas are like.

"We aren't prepared. We need to be prepared. We need to make sure that the Wireless Board gets the message. We need an audit. And before we fool around with the money, I would prefer we get them to do their job. And an audit will also tell us how much money they should get and what the rates should be. Again, I ask you to vote the proposed amendment down."

The motion that Floor Amendment No. 1, amending H.B. No. 3367, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WIRELESS ENHANCED 911," be adopted, was put to vote by the Chair and failed to carry with Representatives Nakasone, Sonson, Souki and Takai being excused.

(Main Motion)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3367, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WIRELESS ENHANCED 911," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sonson, Souki and Takai being excused.

At 3:16 o'clock p.m., the Chair noted that H.B. No. 3367, HD 2, passed Third Reading.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 937-08) recommending that H.B. No. 937, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 937, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ELECTRICAL AND PLUMBING TRADES," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 938-08) recommending that H.B. No. 2908, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2908, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On Stand. Com. Report No. 938, I do have some reservations. It seems like we are asking the Auditor to do something in addition to what she already does, which she could do without us asking it.

"Many bills and resolutions ask the Auditor to do audits, and oftentimes she can't get them all done in the one year period between Sessions. This kind of looks like a 'make work' project and those are my reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2908, entitled: "A BILL FOR AN ACT RELATING TO AUDIT RECOMMENDATIONS," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 940-08) recommending that H.B. No. 2134, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2134, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I'm rising in opposition to this measure. This is the bill that extends the sunset date from July 2009 to July 2010 for the deposit and disbursements of certain licensing fees in the Compliance Resolution Fund to the credit of the Center for Nursing Special Fund.

"Earlier in hearings, there were nurses that testified against this bill. They weren't here when the initial bill was passed. But these fees are charged to nurses and that's the money that goes to the University Center for Nursing. The rank-and-file nurses were against it. We heard this bill again in Finance. No nurses were there, so it was a question for me. It didn't appear that anything had been changed, but there were form letters from advanced practicing RNs, most of them in the Hawaii Health Systems Corporation.

"My personal feeling is that we still haven't heard where the rank-and-file nurses are. I did receive a notice today that the Nurses Association still opposes this bill. They did not show up at the Finance Committee because they thought it was only decision making and that they'd missed the opportunity to testify, but they are still against this bill. Thank you."

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

"Mr. Speaker, I just want to state a potential conflict. I'm a licensed nurse," and the Chair ruled, "no conflict."

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

"Thank you. And with that, I support the bill and I want to say that most of the nurses I've spoken to that are rank-and-file say the fee is not a big amount for them."

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

"Thank you, Mr. Speaker. I stand in support of SCR 940-08. In 2003 the Legislature established the Hawaii State Center for Nursing and placed that in the School of Nursing & Dental Hygiene at the University of Hawaii at Manoa. It became operational in April 2005.

"The Center benefits nurses and lawmakers by collecting and analyzing data for our current and future status and trends of nursing workforce. I can go on for days, but I will keep this succinct. The focus of this bill and the Nursing Center is to retain nurses to address the nursing shortages.

"To address the prior speaker's concern about the Hawaii Nursing Association, Ms. Craft, the Vice President of that Association testified to your Committee on Health. The bill was first heard by Higher Education, and they repealed the sunset date from 2009 to 2014. When it was heard by your Committee on Health, the outstanding Chair of Health changed the bill to 2010. At the hearing, I talked to Ms. Craft, the Vice President that represents the Nursing Association and she said the date, if it's 2010, they are okay with it.

"We went to the Finance Committee and there was no one from the Hawaii Nursing Association that came in person to oppose this measure. And again I believe it's attributed to the fact that we did change it to 2010 and they're okay with it. For those reasons, I stand in strong support of this measure. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I am in support with reservations. The mission as spoken by a previous speaker, is to collect and analyze data. My reservation is that these people, I believe, need to work themselves out of a job. They need to analyze data. They need to make recommendations, and then it needs to sunset. I just don't want to see the Center in perpetuity, analyzing how to solve the problem. I think it's up to the private sector. I'd like to see the private sector really work on this issue. Thank you, very much."

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

"I am rising in support and want to insert written comments. But I just want to comment on who was there at the Finance Committee hearing. There were quite a number of nurses, but the time went by and at the end there were only a couple of people there. But the testimony was presented by a broad cross section of people including staff nurses, people from the University, and I think of note was the former President of the Hawaii Nurses Association. I think there were a fair number of people there. So I would support this bill."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I am in support of this measure.

"Several years ago when the shortage of nurses was first identified as a serious problem, the information needed to address the problem was incomplete, scattered, and sometimes conflicting. As a result, decisions to increase the supply of nurses could not be made with much confidence.

"In 2003, the Legislature passed Act 198, to create the Hawaii State Center for Nursing. The Center was given the mandate to collect and analyze data, and make recommendations regarding the current status and trends of the nursing workforce; conduct research in best practices and quality outcomes; develop a plan for implementing strategies to recruit and retain nurses; and research, analyze and report data related to the retention of the nursing workforce. We can see in the work that the Center for Nursing has produced that they have very ably done what was asked of them. The data and evidence collected by the Hawaii State Center for Nursing is invaluable in making workforce, policy and resource decisions. This information is well worth the costs born by the nurses in the State to support the Center.

"The Hawaii State Center for Nursing is currently affiliated with 33 other state centers for nursing that are also doing vital work on workforce development, nurse retention, supporting nursing

education and access to education in nursing. The ability to share and collaborate for good data and outcomes is of great benefit to our community.

"This bill allows the Center to continue receiving funds by extending by one year the sunset date for the deposit of certain nursing fees into the Center for Nursing Special Fund. In light of an ongoing nursing shortage in the state and in the nation, it just makes good sense to continue the funding mechanism for the Center.

"I urge my colleagues to support the bill."

Representative Meyer rose to respond, stating:

"Mr. Speaker, I would like to rebut what the Vice Chair of Health just said. I spoke to Mrs. Craft's sister about this just today because I wanted to know where they stood. And she said she had spoken with her sister, and they have not changed their position. They are not in favor of this bill. Thank you."

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

"Mr. Speaker, in opposition. Mr. Speaker, at this point, I have heard from individual nurses and they do oppose the bill. So I'm going to be voting no on it at this point. Thank you."

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

"I just want to disclose a potential conflict. My mother is a nurse. Thank you," and the Chair ruled, "no conflict."

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

"Mr. Speaker, with reservations with short comments. Mr. Speaker, I was ready to vote just straight up in support of the bill. But with the information from the Representative from Kahaluu, it causes me pause because you have a Nurses Association and for the most part you would hope that in a situation like this, a Nursing Center would benefit them. And why would they come out here and spend the time to oppose it if it wasn't something that was something they really did not like. For that reason, I'm voting with reservations. Thank you."

Representative Mizuno rose to respond, stating:

"Thank you, Mr. Speaker, still in support. Mr. Speaker, the Hawaii Nursing Association has 4,000 members. 4,000 members. But at the Finance Committee hearing, we didn't see one. I spoke to their Vice President, Ms. Craft. She said that she can live with the 2010 date. She didn't want it to go to 2014. But if we had the sunset date on 2010, they could live with it.

"She did say this, and maybe I should have clarified this the first time. She would like to work with the Nursing Center. She felt that if the employers would pay half of their \$40 fee, every two years there's a \$40 nursing fee that they have to pay, for the Center. If the employers would pay half, and they would pay half, she thought that would be a little more fair. She's not against the Center.

"So again, to clarify. I spoke to the Vice President and she did say they're okay with the 2010 date. They do want to work on some things together. They say this is a work in progress. Thank you very much, Mr. Speaker."

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

"In opposition. Clearly there are two Mrs. Crafts around here today. And because of that, I'm going to have to vote no. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2134, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CENTER FOR NURSING," passed Third Reading by a vote of 44 ayes to 3 noes, with Representatives Meyer, Pine and Thielen voting no, and with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 944-08) recommending that H.B. No. 2588, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2588, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 945-08) recommending that H.B. No. 2664, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2664, pass Third Reading, seconded by Representative B. Oshiro.

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

"In opposition on Stand. Com. No. 945, Mr. Speaker. I'm concerned about this bill. Perhaps of all the bills that have taken away the Governor's power, this one will actually, potentially hurt the people of Hawaii the most.

"I've summarized the Attorney General's testimony, as well as the Director of DAGS. The bill will turn the clock on Emergency Management Law in Hawaii back 57 years. It significantly hampers the Governor's ability to respond to emergencies and disasters. Sections 127-1 to 127-9 of the Hawaii Revised Statutes have been suspended since 1951. And for the last 57 years, virtually all of the Governor's emergency management powers and capabilities have been found primarily in Chapter 128 of the Hawaii Revised Statutes.

"This bill effectively terminates that suspension for this Governor only. It leaves the Governor with two very separate and distinct Chapters for emergency management, and it dangerously hampers the Governor's ability to respond to emergencies and disasters. Basically, it severely limits the Governor and the Governor's ability to exercise emergency power for disasters not caused by an enemy attack. This means the Governor will be limited in almost all disasters as enemy attacks fortunately, seldom occur.

"It is impractical for the Governor to first find and declare through an Emergency Proclamation that tangible and measurable harm or damage has resulted as a consequence of the disaster. And the disaster relief could not otherwise be achieved in legislation enacted in the next Regular Session of a Legislature or Special Session of the Legislature called by the Governor for the purpose of providing such relief. This would therefore Mr. Speaker, precluded the Governor from exercising the Governor's emergency powers for imminent, potential disasters such as a hurricane coming or a tsunami coming. The Governor would need to wait until the disaster occurs before putting all the people in place to protect the people of Hawaii. And in the aftermath of the disaster, the Governor would need to find and declare tangible and measurable harm, and determine if relief could be achieved through legislation.

"In other words, this bill would make her, before she does anything and calls out the Department of Defense and all the people that would help the people of Hawaii, you're making her come back to us. So all the Neighbor Island Representatives would have to come back from wherever they are and we would have to call a Special Session before helping the people of Hawaii. If so, the Governor would be

compelled again to call a Special Session, as I mentioned. Meanwhile whatever harm has occurred would mean that any health or safety problems will fester until the Legislature passes the appropriate legislation.

"In an emergency, the Governor as the both Chief Executive and Commander in Chief of the State must be able to take action swiftly as a situation warrants. This bill will prevent the Governor from acting on the advice of experts in disaster prevention and response from ensuring the health and safety of the State's citizenry.

"In addition to hindering the Governor from taking timely action this bill will create problems for the Governor even when the Governor is able to provide disaster relief without legislation. In these cases Mr. Speaker, the relief that is provided would terminate at the end of the next Legislative Session, unless the Legislature adopts by Concurrent Resolution or enacts a law to authorize the continued disaster relief.

"This would be disruptive as relief projects often take over a year to complete and precious resources would be diverted to justifying the continuance rather than the continuing of the relief. There may be dozens or hundreds of projects involved to help the people of Hawaii. There may also be impacts on cost recovery and federal and State aid. For those reasons, Mr. Speaker, I just simply cannot support this bill. It would truly hurt the people of Hawaii."

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

"Mr. Speaker, in support of this measure. I was afraid we would hear the argument that this was another take-away by the Legislature with the current Governor. But when you think about it Mr. Speaker, the Governor has actually taken power away from the Legislature in the example of declaring an emergency regarding homelessness, not once, but twice in the past year.

"Mr. Speaker, when you think about it, when we passed legislation giving the power to the Governor to declare an emergency, it was done with the intention of enemy attack, terrorism, natural disasters, spread of disease, and those kinds of issues. What made homelessness become an emergency? This is something our State has been dealing with for many, many years as many communities throughout our country have been dealing with it. And it's not going to be solved immediately. We're going to continue to struggle with it. We started last year with the Chair of Housing & Human Services, and again as a part of the Majority Package again this year. But Mr. Speaker, what we're talking about ..."

Representative Meyer rose, stating:

"Mr. Speaker. Could the speaker stay to the content of this bill. It seems like he's gone a little bit astray."

Representative Caldwell continued, stating:

"I think I'm staying within the content. This bill is designed in part to counter the abuse we've seen in the past year with the Governor's misuse of emergency powers on the issue of homelessness. And that's why I'm talking about homelessness.

"But Mr. Speaker, what would prevent the Governor from exercising emergency powers because there are traffic problems? What would prevent the Governor from exercising emergency power because she failed to release funds for our high schools and elementary schools for repair and maintenance? That is a crisis today and perhaps she could use the same ..."

Representative Meyer rose, stating:

"Mr. Speaker, he's way off the topic of this bill, talking about traffic. This is not what we are talking about. We are talking about changing the way the Governor can declare emergencies."

The Chair responded, stating:

"I think Representative Caldwell is within line as he is talking about whether traffic could be declared as a possible emergency disaster."

Representative Caldwell continued, stating:

"Thank you, Mr. Speaker. I'm just trying to make a point, as where do you define what an emergency is. And the abuse we've seen in the past year, not once, but twice regarding homelessness. So this bill is designed to address that problem. And it's crafted I think, to protect the public.

"I think what we've heard in terms of the arguments so far is taking the arguments to extreme. That's not what is going to occur here. What we are concerned about Mr. Speaker, is when an emergency is declared, the procurement laws no longer apply. Those laws are finely crafted to protect the public. They are there to protect the public. And we want to make sure that if an emergency is declared, that it is truly an emergency, and then the procurement laws can be overlooked.

"Something like homelessness, that was not a reason to get around the procurement laws. How do we know what kind of abuse may have happened? If there is any abuse, we won't know. And therefore we are trying to address that situation. I hope people would support this measure. I think it's good government. It has nothing to do with a take away. And if it does, someone must argue it's a take away by the Executive Branch from the Legislative Branch. Thank you."

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

"Mr. Speaker, I'm personally offended by those comments. I oppose the bill, Mr. Speaker. And I'm personally offended by the comments that say homelessness is not an emergency. That speaker has a roof over his head, a very nice roof up in Manoa. There are people out there on the street. There were people that were evicted by the Mayor, out of the City park. The Governor stepped forward and gave those people a temporary shelter calling it the Next Step so they didn't feel so degraded by the experience of being homeless without any place to go. I've been down to the Next Step a number of times. I saw the people that came out and volunteered their time to set that up so the people would have a place to stay. So their children wouldn't be out there without any shelter whatsoever. I saw the people that really cared and stepped forward in this emergency. Being homeless is an emergency. That is the most heartless comment that I've ever heard in this Chamber, that homelessness is not an emergency.

"Mr. Speaker, our Governor stepped forward and did something that gave people dignity. It gave the volunteers that stepped in to help create the shelter, that helped feed the people, to come down and help give parties for the children. And the people that were there participating in that gave such aloha to the families and the individuals in that homeless shelter. Homelessness is an emergency and we have a Governor that recognized that, stepped forward and acted.

"Now when our side of the island gets a hurricane Mr. Speaker, or I hope not, but possibly a tsunami, I don't want to say to our Governor, 'Sorry, you have to sort of look around and declare that this looks like an emergency, and then call the Legislature back into Session.' For those of us who had been subjected to the tsunami or the hurricane, would be pretty unlikely to show up here because we'd be in our communities to try and help people with that emergency.

"This is the most mean spirited, wrongly devised bill that will hurt our people. And I hope I never ever hear any one else in this Chamber again say that homelessness is not an emergency. Go out there and be with them. And see what that's like and tell me that

that's not an emergency in those people's lives. I think this was disgraceful. Disgraceful, Mr. Speaker."

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

"Mr. Speaker, I rise in support. And unfortunately I will be the one to say that homelessness is not an emergency because I'm looking at HRS 127-1, Definitions for disaster, and that doesn't qualify under that definition. I can read it to you if you want. It's about ten lines long. But unfortunately, homelessness does not qualify because it basically has to be something in relation to, or primarily responsible for disaster caused by fire, flood, tidal wave, volcanic eruption, earthquake or other natural causes, or an enemy attack, sabotage or other hostile actions.

"So while I really believe homelessness is a significant issue and something we do have to deal with, it doesn't qualify as an emergency. Chapter 127 specifically defines it. I apologize to the Representative from Kailua if she's affronted by that. Maybe next time she should put that in a bill so that maybe we could amend this section and actually put that in the definition.

"But if you read the definition, if you read what we are doing in this bill, we are only touching Chapter 127. There's a definition. And I'm surprised she doesn't realize that definitions control the scope of law. That's what we're doing. We're basically saying, when we do come to potential disaster, and she wants to declare an emergency, then she or he, the Governor, whoever they may be at the time, needs to follow a certain procedure. Because we've found in the past that there are times where while Chapters 127 and 128 are supposed to be liberally construed, there are definitions and they need to be within the scope of definitions. Thank you."

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

"I also rise in opposition. Mr. Speaker, this bill is entitled, 'Disaster Relief'. But given the context as it's worded, it is disaster creation. Why I feel strongly about this is that we are extremely overreacting.

"If you have a fly in your house, you don't take out a Howitzer and blast it. If you've got a problem with homelessness, you don't say all the powers except, unless there's an enemy declaration of terrorism or attack and things of that sort. We've gone overboard with this, especially when we have to be consulted to know the mindset of what otherwise the Governor has.

"But let's be mindful ladies and gentlemen. We are the Legislative Branch, and that's the Executive Branch. That's the Executive Branch's job. The Legislative Branch is to make policies. If the policies literally handcuff the Executive, I think we have to be mindful of the lives and the property of the people, and that's where it's going to be harmful. If there are lives and property involved, which there are in disasters, particularly of the homelessness that my colleague from Kailua with such righteous indignation just spoke of. Those are real lives.

"So maybe it doesn't meet the technical letter of the law that the Majority Floor Leader spoke of, but the spirit of the law, the lives of those homeless people that the Mayor and other circumstances allowed to be in jeopardy, the Governor saved.

"The bottom line, Mr. Speaker. There's no other way to conclude this. That this is an attempt by an irrational fear of Lingle to do something which is otherwise against the people and we think through this bill, it is against her. It's going to blow up in our face. Thank you, Mr. Speaker. And that would be a disaster."

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

"I stand in support. I wasn't the author of the bill, but I was the Chair of the Committee that heard the bill. And I think as policy makers, people bring ideas to you. You debate and then you determine if they are worthy of moving forward. And as we all know in this body, it's through experience and people's ideas that we even have legislation. Or we wouldn't even be here. We wouldn't even have a job.

"So having said that, people brought this forward because of something that happened in the last year or two. Now when I heard the bill, I didn't know about this homelessness. Or I didn't see it as the driver for this. So having said that, I want to do some clarification on this bill.

"House Bill 2664 clarifies when the Governor may exercise emergency powers for a disaster not caused by enemy attack. As a prerequisite to exercising emergency powers for a civil disaster the Governor is required to first find and declare through an emergency proclamation that tangible or measurable harm or damage has resulted because of the disaster.

"And number two, disaster relief cannot be otherwise achieved through legislation enacted in the next occurring Legislative Session or a Special Session called by the Governor. Tangible and measurable harm or damage is defined as harm or damage that has already occurred, and that unless immediately acted upon would otherwise be irreparable, result in the immediate loss of life, or pose an immediate health or safety hazard to humans or the environment.

"House Bill 2664 also provides for the termination of a Disaster Relief Proclamation on the adjournment *sine die* of the following Regular Session unless extended by the Legislature through the adoption of a Concurrent Resolution or enactment of law.

"Under present law, the Governor has broad discretion to define and declare when a disaster has occurred and suspend laws that may impede or be detrimental to providing relief for that disaster. Since June 2006, the Governor has used these powers to issue emergency proclamations to address problems. Through the proclamations the Governor has suspended the Procurement Code, County Zoning Ordinance, environmental impact review laws, land use laws and water quality laws. The Governor also transferred appropriations to homeless projects.

"Now I want you to know that that was given to me knowing that we were going to debate this, because that did not come up in Committee.

"While I do not dispute the public benefits of addressing homeless problems or other projects, I feel that this disaster relief bill should be addressed and at least be considered and debated by this legislative body this Session.

"House Bill 2664 is intended to authorize the Governor to use expansive gubernatorial emergency powers only when absolutely necessary to provide immediate relief for sudden civil disaster. The bill continues to allow the Governor to issue Emergency Proclamations, suspend laws to provide relief for when earthquakes, floods, or tsunamis occur.

"The bill is not intended to hamper or restrict the Governor in any way to address those types of disasters. As such, the bill maintains the Governor's power to expeditiously and effectively react to sudden civil disasters when immediately necessary, while preserving the legislative lawmaking and appropriation powers to address known problems raised through the more deliberate legislative process.

"My colleagues, I ask for your support to continue this discussion on this bill. Thank you."

Representative Pine rose to respond, stating:

"Just in rebuttal and still in opposition. The Majority Floor leader talked about how this should be limited to hostile actions. Previous speakers also talked about how this should be limited to flood, fire, tidal wave, volcanic eruption, etc., etc. But everyone seems to leave out the ending sentence of the statute, which also allows the Governor to declare a disaster from major disasters caused by man.

"I think what's been revealed today is the philosophy that the Governor, and of course our side of the aisle, differ on. We believe that the neglect of the homeless issue for the last 40 years has been a hostile act by man. We believe that it's a hostile act for 40 years to not care for people who do not have homes. We believe that it was a hostile act for the Mayor to kick people out of a place that they were living. So if we are going to debate statute, lets really talk about the whole statute, not just one half of a sentence. The Governor was correct.

"So this is really just a policy decision. We believe that homelessness needs to be fixed. And the Majority believes the same as it has the last 40 years, that the homeless issue is not a crisis and doesn't need to be fixed because we wouldn't be in this situation declaring disaster if we had funded it for all those years."

Representative Caldwell rose to respond, stating:

"Mr. Speaker, my second time with brief comments in support. I just don't want to leave the impression with anyone in this Chamber, that I as a Majority Leader, as an individual Representative in Manoa, and no matter what kind of house I live in, that I don't care about homelessness; that my wife doesn't and that my daughter doesn't; that anyone else in this Caucus doesn't care about it.

"As I pointed out earlier, this Caucus in the past two years and in this Session have Majority platforms on homelessness. Major platforms, last year and again this year. And not only that, but the House and Senate, your Joint Package has platforms on homelessness. We believe that it is a very important issue and we are trying to address it.

"But to get back to the point that the Majority Floor Leader made so clearly is that we are dealing with policy here. And we have a policy in place dealing with disaster declarations. It's clear. It's unambiguous. There is a broad opening at the end to give greater flexibility. But it's designed this way to prevent abuse. And that's what this point is about. It's not about whether we don't have great concern about homelessness. And many of us have volunteered our free time helping on that issue. It's about protecting the public. This is what this is about, straight and simple. Thank you very much, Mr. Speaker."

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

"In support, Mr. Speaker. I would just like to elaborate more on what my colleague from Ewa Beach has said about the last portion of the definition of disaster. That it's something that is caused by man and is occurring. We from Ewa Beach know what disaster is. We've been suffering from a traffic crisis, traffic disaster for many, many years. Especially in the last two years, as a matter of fact. I just hope the Governor will see it as well. That there is a man-made disaster in Ewa and it be declared as such so that it is also a disaster and treat it in the same magnitude as the homeless.

"I think there is selectivity here, and if you are going that route of declaring homeless as a disaster, then we should look at the traffic condition in Ewa. I just hope my colleagues would look at it as such and would fight with me in securing a resolution for that disaster.

"Before I conclude Mr. Speaker, if it's considered that I'm not violating any Rules of the House, I think my college from Ewa at one point stood up and described to us in this Chamber, the four types of homeless people, and we'll see if that is something that can be remedied through an immediate or emergency funding.

"So if I may, I'd like her to repeat that description of what homeless people are, or what makes them homeless."

Representative Pine rose stating:

"I don't really understand the question, but I'll try to respond to the comments if I may. By voting for this bill today you will not be declaring traffic as a disaster. So I guess I am consistent with my opposition to this bill."

The Chair addressed Representative Pine, stating:

"Representative Pine, the prior speaker asked for you to clarify the four types of homelessness. You have reached your limit since you already spoke twice."

Representative Pine: "I don't know if there are four. There's varying types. There are people like some members of my family who lost their jobs unfortunately, unexpectedly and who are unable to pay their rent because they are living paycheck to paycheck."

"There are those who are mentally ill who unfortunately, cannot live a stable life and therefore cannot have a stable job, and are unable to have a stable home."

"There are those who are homeless veterans who have Post Traumatic Stress Disorder from other acts of war."

"And I don't really know the fourth one. Oh, excuse me. Drug addiction."

Representative Thielen rose to respond, stating:

"Yes, still in opposition, Mr. Speaker. I wish that we could spend productive time on solving the homeless problem. Mr. Speaker the Majority Leader said the Majority has platforms on homelessness. There's a big difference. Governor Lingle saw the emergency and did something about homelessness, and then this bill is trying to slap her down for doing that."

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

"Mr. Speaker, I rise in support. I'd just like to point out some facts for the Members to consider. We talk about the homeless. But let's think about what Proclamations have been issued in the past five years. I have the data from 2003 to 2007, and does anyone here know how many Proclamations have been issued by the Governor? Let's just think about it."

"We know about the Windward floods. We know about the Kakaako homeless shelter. We know about the Leeward Coast homeless. We know about the Ala Wai Canal. And we know about Kauai homeless. So right off the top of my head as far as these emergency declarations, I can mention that there are five emergency conditions that existed in our State, if we include homelessness despite the literal reading of the law."

"It kind of puzzles me because when I look back at the record the Governor actually issued 42, 42 emergency declarations. Mr. Speaker, I'm hard pressed just to name these five, and that's why I'm supporting this. Thank you."

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

"Mr. Speaker, in opposition. You know I've been in opposition to this bill in it's earlier times on the Floor. And I continue to be in opposition to this bill. My only questions is, and I would guess, the majority of the people out there in our State, residents of Hawaii would have the same answer. My question is: do you want to be a constituent or resident of Hawaii where your Governor is free to

respond to emergencies? Or do you want to be a resident of Hawaii where your Commander in Chief is handcuffed until the Legislature decides to use the key and open up the handcuffs? Because that's what this bill basically does."

"Some of those Emergency Proclamations that were mentioned before, the 42. I know some of them also had to do with rock fall mitigation. Which one of us would be the one who would talk to a family who may have had their family member killed by a falling rock coming off the mountain? And which one of us would be able to explain to that particular family, if you could just wait for that rock to fall before we remove it during the next Legislative Session. Then maybe we would have prevented that. It's a really hard thing to do."

"I'm not willing to go out there and explain to them that we stopped, as a Legislature, it definitely wasn't the seven of us Republicans. We don't want to be responsible for things that we can take care of under the Emergency Proclamations. There are rocks falling everyday. We know from the times we travel over to the North Shore. These are Emergency Proclamations that happen, and emergency appropriations that happen because it's a dangerous situation."

"There's not much more to say. Platforms are platforms. Action is action. When I talk to people on the Leeward Coast, family and friends because I have a lot of them on that side of the island, many say, 'This is the first time that we feel government actually taking an interest in homelessness.' That there is action being done. And the tent cities and the families and the children that it serves, providing them with a safer environment, those were things that they approved of, and approved of the Governor for doing that."

"So Mr. Speaker, I speak again in opposition and I hope that we reconsider what I think the Legislature is basically saying, that we wanted to spend that money. We wanted to tell the Governor what to do with that money. And when she did something different than what we wanted her to do, we decided that we would do a blanket policy. A blanket policy that endangers the people of Hawaii. I don't agree with that, Mr. Speaker."

Representative B. Oshiro rose to respond, stating:

"Mr. Speaker in support, just very briefly. I just wanted to counter the argument that this is in any way a handcuff. Again if people just read the bill ..."

Representative Meyer rose, stating:

"Mr. Speaker. Mr. Speaker. I believe this is his third time up on this issue."

The Chair responded, stating:

"No, it's his second time. The other time was Representative Marcus Oshiro."

Representative B. Oshiro continued, stating:

"She's out of order, so she can sit down. At this point, I want people to read the bill. If they took a look at pages 1 and 2, all it has is a proviso and it just says that all the Governor needs to do is make a finding that this could not otherwise have been cured through a Legislative act, whether through a Special or Regular Session. It's just a finding in the Proclamation. That's all that has to be done."

"To say that there is a handcuff, or anything else, and that she's going to issue a Proclamation anyway. Or he's going to issue a Proclamation anyway. So we're just requiring one more sentence. One more finding. I don't see how difficult that is."

"But what this does do is make sure that they really take a look at whether their exercise of an emergency power truly is an emergency power. That's all we're asking for. It's that extra special monitoring to

make sure the actions they take are in accord with Chapters 127 and 128. Thank you."

At 3:59 o'clock p.m., Representative Takumi requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:00 o'clock p.m.

At this time, the Chair announced:

"Members, we've spent a good half an hour on this measure. I will recognize Representative Ward as the final speaker. Anyone else can submit written comments after that."

Representative Ward rose to respond, stating:

"Mr. Speaker, I request if the Chair of Finance would submit to a question regarding the Proclamations that he elaborated on.

"He left the Floor? I just wanted to ask what he didn't like about the results of what the Governor did when she did it; whether it be homelessness or floods. Was there a problem with the results? Or was it the procedure which we are arguing is handcuffing the Governor."

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

"Mr. Speaker, just please note my reservations on this issue. As someone who is one paycheck away from an emergency and disaster, I look forward to optimistic comments on this issue in the future. Thank you."

Representative Belatti rose and asked that the Clerk record an aye vote with reservations 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 Pine rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Ching rose in opposition to 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:

"Thank you, Mr. Speaker. I stand in opposition to H.B. 2664, which proposes that any emergency powers in force prior to the effective date of this measure, expire at the end of the 2008 Legislative Session unless reauthorized by the Legislature.

"H.B. 2664 would severely restrict a Governor's ability to take action when immediate and decisive action may be needed regardless of the cause for the emergency. In the words of Governor Linda Lingle's Senior Policy Advisor Linda Smith, this measure impairs the State's ability to provide immediate assistance when it is necessary and warranted by the facts. Further, this bill would slow down the process for requesting a Governor's Emergency Proclamation to protect life and property and to prevent suffering by requiring the State Civil Defense agency to determine if disaster relief to affected residents can be achieved through legislation enacted in the next regular session or by special session. By requiring the Governor to first declare through an emergency proclamation that tangible harm occurred as a result of the disaster, this measure would prohibit the Governor from taking any pre-emptive action to mitigate and prevent damages. This bill, if passed into law, would severely interfere with the responsibilities the Governor has been elected to fulfill."

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:

"What made homelessness an emergency? Here is my answer:

"A family sits in the rain at Ala Moana Beach Park. It has been raining for more than 30 days. The children still attend school, despite the hardships of living outside. Imagine the desperation of those parents who are unable to afford a house to live in and a place for their children to study. Now imagine being told by the Mayor that you must move all of your meager possessions, because the tourists and the residents of this State no longer want to see the homeless in their parks. This is an emergency. The fact that the issue of homelessness and the lack of affordable housing have been callously ignored for many years makes it no less an emergency. In fact this created the emergency.

"Families who are experiencing homelessness must constantly be thinking about food and other resources for their families along with their safety. When you live on the beaches and on the streets, you are constantly aware of your vulnerability. When the Mayor shut down Ala Moana Beach Park and Leeward Coast parks with little warning and more importantly with no alternative location to go to, he created an emergency.

"Our Governor was brave when she declared an emergency related to homelessness. She declared that those who are experiencing homelessness are not to be ignored, but rather recognized as part of our community. With her creation of emergency shelters and more focus placed on the creation of affordable housing, we moved from ignoring the issue of homelessness toward ending homelessness and the prevention of future homelessness. Agencies now have partnered with the emergency shelters to assess the needs of individuals and give them a helping hand to move to the "next step". I applaud the Governor's response to these emergencies and strongly oppose the misguided efforts of the Majority to curb her emergency powers."

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

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

Representative Tokioka's written remarks are as follows:

"Mr. Speaker. Some of the members in the Minority Caucus, particularly the Representative from Kailua made comments about Mayor Hannemann kicking people out of county beach parks.

"I think it's important to clarify that the Mayor of Honolulu moved caringly and carefully when he began a concerted effort to clean Honolulu's City parks. When he announced that Ala Moana Beach Park would be cleaned and closed at night, he offered Roberta Derby Park as a place where homeless could stay. He waited for the State to build shelters on the Waianae Coast before moving to clean Maili Beach Park and others in the area. In fact, the State did not embark on a shelter program until the Mayor moved to clean parks.

"Now, thanks to the Mayor's efforts, many of the parks on Oahu are cleaner, and the homeless have shelter, a win-win situation for Oahu residents."

Representative Caldwell rose in support of the measure 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 am commenting in support of House Bill 2664, A Bill for an Act Relating to Disaster Relief.

"Disaster relief as defined by our law (Chapter 127) includes disaster caused by fire, flood, tidal, wave, volcanic eruption, earthquake, or other natural causes or by enemy attack, sabotage or other hostile actions. This is a very important law, which ultimately gives the Governor special powers to act with immediacy and flexibility in the most dire of times. In providing relief, it allows for the suspension of certain governmental requirements ranging from meeting environmental standards to following the State Procurement Code.

"Important as this law is, questions of good government are raised if a Governor decides to determine that an emergency exists outside the definition of law, and apply this suspension of laws in addressing an issue. House Bill 2664 essentially ensures that the disaster relief applies to legally defined disasters.

"As we all know, there are many highly critical problems facing our State. These range from fixing our educational facilities, to homelessness and housing, to traffic, to facing the prospects of a recession and many more. These problems require a variety of approaches from long range planning to short, more immediate actions. This is all part of government responsibility and service.

"But unless a situation is a disaster, as defined by statute, planning must follow the appropriate laws. Serious as many social issues are, they do not fit within the scope of the disaster relief laws. Abuse can occur if a Governor declares something an emergency when it is outside the legal definition, in order to avoid following the laws that are suspended under HRS 127-10.

"We can do a better job of addressing critical issues like homelessness if we plan forward and follow our procurement laws to ensure money is spent wisely and fairly.

"Thus the need for this amendment, which ultimately sets the standard that State government does the right things the right way."

Representative Awana 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 Awana's written remarks are as follows:

"Mr. Speaker, I stand in support with reservations on HB 2664.

"As the Representative from the Big Island had stated earlier, I believed this bill was relating to disaster relief, as well as clarifying the emergency powers of the Governor. I find it quite interesting that much discussion has centered on the homeless situation. I represent a community in which the Governor's Emergency Proclamation on homelessness has benefitted many, yet at the same time, it has created a dilemma for some.

"Those from other areas have moved onto the beaches and beach parks of my district – seeking homeless services. If we want to talk about Emergency Proclamation on homelessness, let's designate the entire State instead of one community so that all homeless will be able to benefit from such measures.

"I would like to close with this statement: Sometimes, good intentions lead to unintended consequences and sometimes unintended consequences lead to legislation. Thank you Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2664, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF," passed Third Reading by a vote of 37 ayes to 10 noes, with Representatives Bertram, Ching, Finnegan, Green, Marumoto, McKelvey, Meyer,

Pine, Thielen and Ward voting no, and with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 946-08) recommending that H.B. No. 2685, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2685, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 948-08) recommending that H.B. No. 2456, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2456, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 47 ayes, with Representatives Nakasone, Sagum, Souki and Takai being excused.

At 4:04 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 937, HD 3
H.B. No. 2908
H.B. No. 2134, HD 2
H.B. No. 2588, HD 1
H.B. No. 2664
H.B. No. 2685, HD 1
H.B. No. 2456, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 949-08) recommending that H.B. No. 2922, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2922, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Pine's written remarks are as follows:

"Mr. Speaker, I rise in opposition to this bill. This measure takes money away from the State Highway Fund; and this automatically results in us losing our 4 to 1 federal matching funds when we raid money from the State Highway Fund to pay for things other than what the fund is intended for. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2922, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FUEL TAX," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Pine voting no, and Representatives Magaoy, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 950-08) recommending that H.B. No. 3406, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3406, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. In support with short comments. On Stand. Com. Rep. No. 950, I believe the working group, the HUG, or the Harbor User Group basically worked really, really hard at coming to a compromise on this bill with regard to all the different stakeholders, and with regard to this harbors bill.

"The only thing I'm concerned with is I know it's a common practice to take out numbers within a bill, especially the dollar amounts, but I think the people that worked with this bill spent a lot of time coming up with those numbers. So I hope that it doesn't necessarily mean that those numbers will be juggled around, and that it will stay with, or as close as possible, to the numbers that they had submitted in the bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3406, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL HARBORS MODERNIZATION," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 959-08) recommending that H.B. No. 3410, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3410, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker, I'm rising in opposition to the bill. Thank you. Mr. Speaker, this bill relates to biodiesel. I mentioned earlier on another bill that was addressing somewhat the same subject, that there is a worldwide concern about the impact that biodiesel could have.

"The bill gives a preference for biodiesel that is at least 20 percent locally grown and produced; 20 percent from here in Hawaii. But the question is, where does the 80 percent come from? It could be from Indonesia or Malaysia, and could be palm oil from recently destroyed rain forests, and then that mixture is not environmentally friendly.

"The problem also is that if we end up having a State law that defines a fuel to be green if it has any biomass in it, no matter how much fossil fuel was needed to grow it, ship it or process it, or use it to convert into biodiesel, then we're not really moving ahead.

"The *New York Times*, February 8, 2008, heralded that: Biofuels Deemed a Greenhouse Threat. Almost all biofuels used today cause more greenhouse gas emissions than conventional fuels. I think there's another article in the *Wall Street Journal*, November 28, 2007, and it is: Ethanol craze cools as the doubts multiply.

"We really should be taking a harder look at this. I know there's a real big rush to say, let's be green. But while we're trying to be green, we may end up causing a lot more damage to our climate, to our environment and actually to the world economy, which we're impacting negatively with this rush toward biodiesel. Thank you."

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

"Mr. Speaker, I rise in support of the bill and Stand. Com. No. 959. As a brief rebuttal to my colleague. We must differentiate between Malaysian palm oil and Indonesian palm oil. Now, being that I was in the Peace Corps in Malaysia, I know that they are eco-friendly. They have reforestation. They have labor standards. It's not the same

as those rainforest devastations, 'slash and burn' techniques that are used in many other countries.

"Having said that, I would go back to what was a pineapple and a prosperous sugar agricultural industry of which is now the fact is we're growing weeds on that property. That is probably the least use we should have. And I wish as my colleague from Kailua, we should never grow fuel to replace food. Food is of primary importance. However, if and until the day that we can stop growing weeds, let's give biofuels a chance.

"And remember, if it's Malaysian palm oil, it's safe, it's certified and it's good for the economy. Thank you."

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'm rising in opposition to HB 3410, Relating to Biodiesel.

"I believe this bill is premature. The incentives in this bill have merit, but it would be better that these incentives be reconsidered upon the completion of the comprehensive renewable biofuels planning framework presently being developed by DBEDT.

"I am also concerned by the limitation to agricultural lands with a productivity rating of A or B. These agricultural lands are the best overall agricultural lands and most State lands with high-grade designation are already encumbered by long term leases or permits. On the other hand, there are vast amounts of C, D, and E rated agricultural lands that remain fallow and unencumbered. We need to look at using these low-rated lands as possible areas to expand to biodiesel crops because they are more regularly available. Also, displacing other diversified food crops from such lands could adversely impact the State's constitutionally mandated mission of protecting and promoting agriculture."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3410, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BIODIESEL," passed Third Reading by a vote of 43 ayes to 2 noes, with Representatives Meyer and Thielen voting no, and with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 960-08) recommending that H.B. No. 3444, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3444, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I was going to vote with reservations, but for now I'm going to vote in opposition. This is basically a tax increase, and I know that it means to do well with the money. Basically let me just read what it is: 'It establishes the Energy Security Special Fund.'

"But this tax is going to be paid by the distributor of the petroleum products. So I'm guessing with what seems to be looming over our heads just around the corner is a \$4 a gallon price tag for gas. And I'm just worried when we want to do things like this and we decide to have a tax increase that it will put a lot of pressure to push that increase to our residents, in which they still need to transport, they still need to go back and forth to jobs and home. So Mr. Speaker, I'm in opposition."

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

"Thank you, Mr. Speaker. On the same measure, I rise in support. Just for the edification of this body, what the tax will amount to is approximately one-third of a penny per gallon. That equates to about \$3.89 per person and that's not including the burden that will be passed on to the tourists.

"So for \$3.89 a year we can invest toward energy security. And that \$3.89 can be avoided easily by doing things that promote energy efficiency and conservation. For example, if people have properly inflated tires, they can probably save that additional amount. If they consolidate their road trips, they can save a couple of gallons and easily save \$4 plus. So I'd like to insert additional comments in the Journal. Thank you."

Representative Morita's written remarks are as follows:

"Mr. Speaker, thank you for the opportunity to speak in strong support of this measure. With the price of oil over \$100 per barrel the State of Hawaii needs to be extra aggressive in promoting energy self-sufficiency, security, and efficiency. I urge my colleagues to pay heed to the purpose clause of this measure. We can succeed in meeting our long-term energy strategy only if we are willing to invest resources toward this strategy. The tax increase in this measure is a small investment towards Hawaii's future and the quality of life for our residents and businesses. The fifteen cents increase can be broken down to an annual cost of \$3.85 per resident. This does not take into account the tourist population, who as a group, consume more energy than the average resident and therefore, if adjusted would lower the cost per resident. This annual cost can be broken down to a per gallon cost of one-third of a penny or approximately \$0.0036 and will generate approximately \$5,400,000 per year.

"However, this tax increase can easily be offset through energy efficiency and conservation. For example, consolidating errands and road trips to save one gallon of gasoline per year will offset the tax increase. Making sure that tires are properly inflated to ensure maximum mileage can also offset the tax increase. Giving up one cup of specialty coffee per year will offset the tax. So there are many opportunities for Hawaii residents not to be affected by this increase.

"Again, Mr. Speaker, this tax is not unduly burdensome on Hawaii's residents. However, the lack of action in addressing a long term energy strategy will be far more costly to Hawaii's residents. This measure is a small investment for the betterment of Hawaii's future."

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

"Thank you, Mr. Speaker. I'm rising in opposition to this measure. The bill increases the tax on a barrel of gas, oil, from 5 cents to 20 cents, so that's four times what it was before. The money in that Environmental Response and Energy Security Tax was really for emergency use in oil spills, and now what we're doing is expanding the use of this to take care of costs for people doing their job. It may only be a small amount per gallon of gas, but it also is passed on in every can of oil that you buy. It's just an increase in the costs of things in Hawaii and for that reason I look at it as an additional tax and can't support it. Thank you."

Representative Finnegan rose to respond, stating:

"Thank you. Short comments Mr. Speaker, still in opposition. I realize that when we break this down it ends up being like 2 cents a day, or whatever it ends up being. But the total amount that the Department of Taxation is saying that we get from this created Fund is going to be \$5.2 million annually. Five point two million dollars coming into this Fund and probably most of that amount will be from what we spend on gas.

"Mr. Speaker, this is not the only thing that adds up to all of those costs that we pay. There are tons of little things that we charge our residents, and that's why it makes it so hard for them to enjoy life here in the islands. I just want to make sure that people understand that these little things add up and soon it becomes hundreds and hundreds of dollars in a monthly budget. Thank you."

Representative Ward 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 Ward's written remarks are as follows:

"Mr. Speaker, I rise in reserved support, with strong reservation on HB3444, HD2. While we all are in favor of developing clean energy, reducing Hawaii's reliance on fossil fuels as well as reducing greenhouse gas emissions, we cannot impose yet another rise in taxes.

"Mr. Speaker, the cost of living in Hawaii continues to spiral out of control. I have attached a chart that indicates that Oahu's cost of living has risen by an average of 86.5% over the last five years. This House needs to stop squeezing the people of Oahu for additional tax revenue every time somebody has a good idea!

"Mr. Speaker, Hawaii residents already suffer from the highest price of gasoline in the United States; this tax would eventually trickle down to increase the cost per gallon that the average consumer pays.

"Mr. Speaker, I am very much in favor of focusing our attention on reducing our dependence on foreign oil, but I cannot support increasing taxes our citizens must bear. Therefore, Mr. Speaker, I support this measure with strong reservations."

Estimated Total Annual Expenditure on Water, Sewer, Electricity and Gasoline (Family of Four on Oahu)

2002	2007	Percentage Increase (2002-2007)
WATER AND SEWER		
Average water rate (dollars per 1000 gallons)	\$2.07	\$2.51
Average sewer rate (dollars per 1000 gallons)	\$2.76	\$4.35
Estimated daily usage (gallons)	400	400
Average monthly water bill (dollars)	\$25.24	\$30.51
Average monthly sewer bill (dollars)	\$33.60	\$52.91
Total monthly water and sewer bill (dollars)	\$58.84	\$83.42
Total annual water and sewer bill (dollars)	\$706.08	\$1,000.99
		41.8%
GASOLINE		
Average price of gasoline (dollars per gallon)	\$1.64	\$3.07
Estimated annual gasoline consumption (gallons)	720	720
Total annual gasoline consumption (dollars)	\$1,180.56	\$2,212.99
		87.4%
ELECTRICITY		
Average electricity rate (dollars per kWh)	\$0.13	\$0.24
Estimated monthly electricity usage (kWh)	600	600
Average monthly electricity bill (dollars)	\$78.01	\$143.72
Total annual electricity bill (dollars)	\$936.14	\$1,724.64
		84.2%
PROPERTY TAX (-2,000 sq residential home with exemptions)		
Property tax rate (dollars per \$1000 assessment)	\$3.65	\$3.29
Assessed property value (dollars)	\$513,900	\$1,033,600
Homeowner's exemption (dollars)	\$120,000	\$120,000
Total annual property tax (dollars)	\$1,437.74	\$3,005.74
		109.1%
ESTIMATED TOTAL ANNUAL EXPENDITURE (Water, sewer, electricity, gasoline and property tax)		
	\$4,260.52	\$7,944.36
		86.5%
MATSON FUEL SURCHARGE		
Rate on January 1	3.25%	438.5%
Rate on December 31	8.90%	383.3%
Updated: January 18, 2007, 12:00PM Governor's office		

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.B. No. 3444, HD 2, entitled:

"A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 39 ayes to 6 noes, with Representatives Brower, Ching, Finnegan, Marumoto, Meyer and Pine voting no, and with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 961-08) recommending that H.B. No. 2137, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2137, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 963-08) recommending that H.B. No. 2759, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2759, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I just want to again ask for a potential conflict on Stand. Com. No. 963, Relating to General Excise Tax. My husband works for HMC. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2759, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 964-08) recommending that H.B. No. 3146, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3146, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I just need to request a ruling on a possible conflict of interest. My wife is on the Board of Directors of Mental Health Kokua and they are a service provider for mental health services with the Department of Health. Mahalo," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3146, HD 2, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR THE ADULT MENTAL HEALTH DIVISION," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 970-08) recommending that H.B. No. 2248, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2248, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a

vote of 45 ayes, with Representatives Magaoay, Mizuno, Nakasone, Sagum, Souki and Takai being excused.

At 4:18 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2922, HD 1
H.B. No. 3406, HD 1
H.B. No. 3410, HD 2
H.B. No. 3444, HD 2
H.B. No. 2137, HD 2
H.B. No. 2759, HD 2
H.B. No. 3146, HD 2
H.B. No. 2248, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 972-08) recommending that H.B. No. 3213, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3213, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I just want to speak on Stand. Com. No. 972, on air pollution fees. I am in support with strong reservations. We already pay sky high fees. I am concerned that when they get hit with these fees, they will then pass it on and it will cost us more for electricity."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3213, entitled: "A BILL FOR AN ACT RELATING TO AIR POLLUTION," passed Third Reading by a vote of 47 ayes, with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 973-08) recommending that H.B. No. 1979, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1979, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE SALARIES," passed Third Reading by a vote of 47 ayes, with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 974-08) recommending that H.B. No. 2481, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2481, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, in support. But I do have reservations on 974-08. We all know this is the VEBA Trusts, and even though I do support this measure and I probably will support it all the way through with a reservation. The reservation basically represents my being uncomfortable with what it does for the remainder of the EUTF because it does affect the costs for the others, not only employers, but for the other unions that will be getting their health insurance from the EUTF. Thank you."

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

"Thank you, Mr. Speaker. On the same measure, I would just have the words of the previous speaker and note that I have strong reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2481, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 47 ayes, with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 975-08) recommending that H.B. No. 2929, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2929, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"This bill seeks to require that the independent medical examinations and permanent impairment rating examinations must be performed by mutually agreed upon physicians and not solely by the employer. I am in opposition to HB 2929 and these remarks are based on the testimony of the Chamber of Commerce of Hawaii before the House Committee on Finance. I agree with the arguments of the Chamber.

"I oppose this measure for the following reasons:

"The independent medical examination (IME) is an essential part of the employers' discovery process to ensure proper treatment and to justify incurred costs. The right for an employer to select the physician of their choice to determine whether or not an injury is work related should not be subjected to the delay and costs associated with this procedure.

"The employers and insurance carrier pay for the cost of the IME, therefore should have the choice of the IME physician. The employee chooses his or her own treating physician, so the employer should be able to obtain a second opinion for his or her protection. Furthermore, it is the employee's treating physician, and not the IME physician, that is conducting the actual medical treatment. The IME physician's role is to merely evaluate the injury and treatment.

"Proponents of the bill believe that this change may decrease the adversarial nature that arises during disputes and eliminate the impression of bias in the IME. However, the vast majority of IMEs are conducted without incident or dispute.

"Safeguards exist for IMEs. Hawaii's work comp law requires full disclosure of the IME report to the injured employee. As a result, the employee will be able to determine whether the evaluation was accurate. The employee or his or her personal physician will have the opportunity to contest the report.

"The Department makes a determination based upon the evidence presented to the hearings officers. This bill appears to suggest that the IME report is the final say regarding the injured employee."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2929, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Ching, Finnegan, Marumoto and Meyer voting no, and with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 976-08) recommending that H.B. No. 2964, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2964, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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 to support this measure.

"Many times this body is caught between employer and employee interests that conflict and we are called upon to choose sides. This measure allows us to see the interdependence between the interests of employees and employers and how we assist both when we support workforce development. For many reasons this is an important policy call.

"Workforce development involves the development of the best educated and best skilled workforce. This attracts new industry and good paying jobs for our working people and represents a significant investment. Therefore, it is good for the entire community and particularly for the younger members of the workforce. We are told that educational attainment is the single most important factor in determining a person's potential income earning capacity. These are the kinds of concerns that will be addressed through support of this legislation.

"I want to specifically thank all of those who not only voiced their support for this bill, but who have worked together to help develop the kinds of programs that will be supported by this measure. It will no doubt make a positive difference in the lives of many working people.

"Mr. Speaker, I fully support this bill, and urge my colleagues to do likewise."

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 H.B. No. 2964, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Third Reading by a vote of 47 ayes, with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 977-08) recommending that H.B. No. 3029, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3029, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Mr. Speaker, I rise in opposition to the bill. This measure is duplicative in nature. According to the Department of Labor's testimony, their Administrative Rules already require that any building or structure on State or county land under private contract must follow Chapter 104D. So I do not see why we have this bill if DLIR can already do this.

"I am also concerned that this bill will take us down a slippery slope on how we legislate through Chapter 104D. Chapter 104 is set up to monitor public contracts. Its purpose is not to act as a construction regulation law. If regulation in the construction industry is what is wanted, then it should be addressed in other places in the law instead of trying to make private projects into "public works" by using a broad definition that ignores the purpose and intent of the law."

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 rise in opposition.

"Public works' projects are intended to be those projects constructed for use by the State or county or are paid for with State or county revenues. This bill, however, would subject leases of public lands to all the requirements of public works projects notwithstanding the fact that the leasee is a private entity operating a private business.

"Chapter 104 is set up to monitor public contracts where a governmental contracting agency is a party to the agreement. Its purpose is not to act as a construction regulation law. If regulation in the construction industry is what is wanted, then it should be addressed in other places in the law instead of trying to make private projects into 'public works' by using a broad definition that ignores the purpose and intent of the law."

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 H.B. No. 3029, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading by a vote of 43 ayes to 4 noes, with Representatives Ching, Marumoto, Meyer and Thielen voting no, and with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 978-08) recommending that H.B. No. 3030, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3030, pass Third Reading, seconded by Representative B. Oshiro.

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

"I am rising in opposition. This is another bill trying to rein in the Governor's powers. It clarifies that the Governor may not suspend statutes relating to wages and hours on public works projects unless a state of emergency is declared under the provisions of section 127.

"We had a great deal of debate on this section 127-10 and I don't want to bring all that up, but the Governor declared the emergency in the instance of the homeless because of health and safety concerns. Because it was an emergency, you didn't have to stick with the wages and hours in public works projects. And because of that, she was able to put up some temporary shelters. She was able to house over 1,000 people in a fairly short time.

"There are reasons why under an emergency situation, you shouldn't have to follow the wages and hours on public works projects because you're trying to provide housing, you're trying to put up a wall, you're trying to take care of a dangerous situation. And if you went through procurement and did all the things, crossed all the

t's, dotted the i's, people would all be laying out in the water and nothing would be done.

"There are times when it's appropriate and we can't say when those times will be, but we have plenty of problems in this State and if we can solve some there is no question in my mind that the situation out there on the Waianae Coast was a health hazard and a safety hazard. People that lived there wouldn't even go to the beach. Or all the problems with people going to the bathroom outside, and you didn't know what was happening. That's a health issue. It's the kind of thing you find in a third-world country. So for those reasons and many more, I'm going no on this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3030, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 42 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Thielen voting no, and with Representatives Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 980-08) recommending that H.B. No. 2672, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2672, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PARKING," passed Third Reading by a vote of 46 ayes to 1 no, with Representative Meyer voting no, and Representatives Magaoay, Nakasone, Souki and Takai being excused.

At 4:26 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3213
H.B. No. 1979, HD 1
H.B. No. 2481, HD 1
H.B. No. 2929, HD 1
H.B. No. 2964, HD 1
H.B. No. 3029, HD 1
H.B. No. 3030
H.B. No. 2672, HD 2

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 984-08) recommending that H.B. No. 2596, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2596, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you very much, Mr. Speaker. I stand in support of Stand. Com. Report 984. I feel compelled to provide a spoken statement. Thank you very much, Mr. Speaker. I know first hand from my work with communities that drug abuse has devastating consequences, not only to the individual abusers, but to their families, friends and their community.

"Drug abuse has a tendency to tear families apart. The collateral damage from drug abuse is compelling. In addition to the break up of families, we see physical abuse to household members, divorce, crimes and substantial neglect to our children. House Bill 2596 requires the Department of Human Services to investigate reports of drug use in the home with a child within 24 hours.

"On a personal note, my work as a special investigator at the Department of Human Services, I feel compelled to state without

hesitation, that had the Cyrus Belt file been placed on my desk, it would have gotten another investigator and we would have done a complete site visit within 2 hours. This measure will ultimately help the parent or legal custodian to attain the needed substance abuse treatment, which will produce long-term sobriety goals, improved family relationships, keep our parents or legal custodians in school or gainfully employed.

"Now at the Human Services and Health joint informational briefing on January 30th of this year, the DHS representative stated that they will try to work harder with the police and State agencies to address reported drug abuse and possible child abuse cases. Mr. Speaker, it's time for DHS to abide by the representation. They need to step up to the plate. Illegal drug use in Hawaii is an epidemic that poses great cost to the State and to our families. It's time for DHS to step up and do the right thing. Thank you, Mr. Speaker."

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

"I'm rising on the same issue. I'm in favor, but with some serious concerns. This bill as written would require the Department of Human Services to investigate reports of drug use by a parent or legal custodian in the home of a child within 24 hours. This is a bill that is well-intentioned. It comes on the heels of the very unfortunate situation where that poor little boy was thrown off the bridge. But drug dependency is a chronic, relapsing disease which cannot be resolved in the same manner for all individuals. Comprehensive treatment programs that do not separate mothers from children are cost-effective compared to the financial and social cost of separation. This bill implies that you would be called. If that parent is doing drugs, I don't know if that includes marijuana, but drugs. And in 24 hours the Department of Human Services will be up there and I guess to pick up this child and get them out of harm's way. It's simply not realistic. For those reasons, those are my reservations."

Representative Mizuno rose to respond, stating:

"Thank you Mr. Speaker, still in support. I'd just like to address the previous speaker's comments. Again, when I worked at DHS, had I got that file, there's no doubt in my mind this could have been done within 24 hours. I'm kind of perplexed that the Department of Human Services representatives have indicated that it might be a quagmire for them to do this. That's simply incorrect.

"I do want to state for the record that I am concerned. The Department of Human Services transferred out monies, and if you're looking at child out-of-home payments, they transferred approximately \$8 million. They transferred that to another department. That may be part of their concerns, that they might lack the financing, and that's my concern about their transfers of monies. Child protection has to be one of the top priorities. DHS stands for Department of Human Services, not 'Do nothing and it might get better'. They need to stand up and protect our families and our children. Thank you Mr. Speaker."

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

Representative Shimabukuro's written remarks are as follows:

"HB2596 requires the Department of Human Services to investigate reports of illegal drug use in the home of a child within 24 hours. One full year of substance abuse treatment must be completed by a parent, legal custodian, cohabitant or caregiver that has tested positive before being awarded full custody of a child or being allowed to solely supervise the child. This measure establishes a system for the Department of Human Services to allow children to continue to reside in pre-existing caregivers' safe homes rather than enter into foster care, in certain conditions.

"Having the responsible adult who has failed a drug test complete one full year of treatment prior to regaining sole custody of the child is in the best interest of the child. The lack of contact between the adult and child during this period has been brought into question, but having the drug abusing parent figure out of a child's life for a period of time may be far less detrimental to a child than by having a drug abusing parent figure around. Although the parent, legal custodian, cohabitant or caregiver in question may have great desire to care for the child, once they take drugs their judgment is off. Drugs are addictive and the addiction is not easily cured, even when the abuser has all intentions to quit. Requiring a full year of treatment will potentially lead to less people making jeopardous mistakes that could lead to children being injured or exposed to unreasonable risk or neglect."

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

"Mr. Speaker, I am standing in support with reservations. As a social worker that actually works with these families, actually works with other individuals who do the fieldwork, that are actual social workers and work the front line, I do think that there is some concern about the ability of DHS to meet this mandate within 24 hours.

"Mr. Speaker it's great that we can set policy here, that doesn't come with money, and resources, and appropriate commitment by both the Administration and this body to deal with the problem, which includes not only issues relating to substance abuse, but physical and sexual violence and intimidation, and domestic violence. Mr. Speaker, I think if we're truly committed, then I would like to see some appropriation language in this bill. Thank you."

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

"Thank you, Mr. Speaker. I do have reservations on this bill as well. One of the things that I remember and throughout my experience here in the Legislature, is the former Representative from Nanakuli really got me to think about situations like this. There was testimony after testimony about broken families, and about how kids were affected by sometimes DHS, and their want to basically pull children out of homes and that sort of thing.

"And as much as I want to protect kids, because I think we all do, in fact I know we all do, in the different Legislation that I've seen passed. But I have to be mindful of those experiences, of those families. And the kind of language that you have in here requires a parent or legal guardian, cohabitant or caregiver all to be free of drugs, which in a setting I guess, I would totally agree with that. What will happen if you do take away these kids from the homes?

"So I just move forward with reservations that we might be moving too quick in response to an unfortunate incident. 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 H.B. No. 2596, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative Evans, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 986-08) recommending that H.B. No. 2675, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2675, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

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

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

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

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

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

"Thank you, Mr. Speaker. In support. This is just a task force. We've looked at a lot of different issues on medical marijuana and we've decided that a task force would be the language that we would agree to. I think the Chairwoman of Military Affairs did an excellent job dealing with a lot of the kind of pro and con testimony.

"So it's just a task force Members, and I wouldn't expect anything differently than that this Session on this matter, but everyone should of course, weigh in how they feel about medical marijuana."

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

"Yes, I feel compelled to stand and speak in strong support of this measure. This is a promise that we made to sick people back in 2000. We were the first Legislature to legislate this, rather than coming from the people. So it is incumbent on this Legislature to step forward eight years later now to address the flaws in this law. And the flaws are directly related to the patients that this is supposed to be serving.

"Ninety-nine percent of the arrests for marijuana are made at a local level, 99 percent. That means if the State and local authorities stopped arresting medical marijuana users, we would get rid of 99 percent of those arrests. People are hurting because we made a promise to them that they could have this medicine to help them and we have not kept true to that promise.

"What we got was testimony from all the county police officers saying they did not even believe that there was a medical efficacy to medical marijuana, regardless of what the State policy states. So we need to look at these laws, and we need to make adjustments to it. If it's to serve the people that it's meant for, which are these patients, we either fix it or we take it away.

"So it's real important that this task force go forward. And even as we move it to the Senate, that somehow we adjust and make it the lowest enforcement priority for law enforcement agencies on medical marijuana patients. Thank you."

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:

"Thank you, Mr. Speaker. I rise in strong opposition of H.B. 2675, H.D. 2, which creates a medical marijuana task force to discuss issues regarding adequate supplies of medical marijuana for qualified patients, the value of constructing secure growing facilities for medical marijuana patients to use to produce their medicine, and study inter-island travel issues related to medical marijuana.

"My extent of support ends at the availability and opportunity to grow marijuana in its current form of law. I don't agree with

establishing a medical marijuana task force to essentially discuss mass producing an illegal substance and the illegal transport of a controlled substance. I would be more apt to establishing a task force to study the impacts of medical marijuana usage on the community and the potential dangers involved with the misuse of such programs. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2675, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL MARIJUANA," passed Third Reading by a vote of 41 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Ward voting no, and with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 989-08) recommending that H.B. No. 2386, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2386, pass Third Reading, seconded by Representative B. Oshiro.

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

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

"Mr. Speaker I am in opposition to Stands Com. No. 989, and also Nos. 990, 992 and 993, and I will be very happy to insert remarks against these measures. But I will just note that the worker's comp bills are all very unfair to the employer and heavily weighted in favor of employee. And if the employee is a malingerer, it would really increase costs to everybody concerned and create extra work for the other workers in the firm. This impacts the small businesses more than anyone else. Thank you, Mr. Speaker."

Representative Marumoto's written remarks are as follows:

"This measure provides a disincentive for an employee to return to work and continue to collect temporary total disability payments. It is unfair to employers and only allows an employee, not an employer, to file a request for a return to work hearing.

"These remarks are based on the testimony of the Chamber of Commerce of Hawaii, but many employers share its sentiments.

"The Chamber had concerns with the language that limits the termination of benefits only if the employee's own treating physician says he can return to work. While this is the case in limited situations, it is the employer's physician that often determines if the employee is capable of returning to work. An employee's own doctor will probably not provide authorization that the employee can return to work in any capacity if the employee wants to stay out on disability.

"This language may create a disincentive to return to work because he or she will not get penalized for refusing to return to work especially as the measure increases the weekly benefit amount to 70% of the average weekly wage.

"If the worker is not back on the job, the other employees are forced to shoulder the burden. This adversely affects business – especially small business - that often operates on limited resources.

"This bill does not allow the employer to file a request for hearing with the Department of Labor to terminate TTD benefits. Instead, only the worker can request a hearing. This is will lead to an unfair law and increased costs of work comp premiums."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2386, entitled: "A

BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 38 ayes to 8 noes, with Representatives Ching, Evans, Finnegan, Marumoto, Meyer, Pine, Thielen and Ward voting no, and with Representatives Cabanilla, Magaoy, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 990-08) recommending that H.B. No. 2387, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2387, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto 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.B. No. 2387, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 42 ayes to 4 noes, with Representatives Ching, Finnegan, Marumoto and Meyer voting no, and with Representatives Cabanilla, Magaoy, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 992-08) recommending that H.B. No. 2479, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2479, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"I oppose this measure because it will increase utilization of vocational rehabilitation thus raising the cost of the workers' compensation program and causing insurance premiums to rise as a result. Currently Voc Rehab is specified for injured employees who cannot return to their jobs and who therefore require training for another type of job. If it is available to all injured employees, it would greatly expand the program and increase the cost of insurance.

"Hawaii's work comp system is expensive because of our liberal presumption clause that assumes that almost all injuries are work related. This measure before us would stretch the use of the work comp program."

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

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

"Mr. Speaker. On Stand. Com. No. 992, worker's compensation and vocational rehabilitation. Thank you, Mr. Speaker. I'm rising in opposition to this measure. This measure expands on its ability for it to give vocational rehabilitation to worker's who are deemed unable to return to their regular jobs and not offered work at the pre-injury earnings level.

"I'm concerned that it might be inconsistent with our Administration's rules, policies and procedures, and collective bargaining agreements which govern salary changes when moving from one position to another. Also this bill should be amended to protect workers from employers who do make *bona fide* offers for suitable work, but simply offer temporary employment to end the payment of temporary total disability in the attempt to lay-off or terminate the employee's employment. Also this proposal will allow

an injured worker who has not suffered in a work related permanent disability to receive the vocational benefits to include TTD during the period of the injured worker that's in a vocational rehabilitation plan.

"This proposal may require the employer to pay vocational rehabilitation costs and a corresponding increase in worker's compensation premiums for employees. Those are some of the reasons I cannot support this bill. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2479, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 42 ayes to 4 noes, with Representatives Ching, Finnegan, Marumoto and Meyer voting no, and with Representatives Cabanilla, Magaoy, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 993-08) recommending that H.B. No. 2927, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2927, pass Third Reading, seconded by Representative B. Oshiro.

Representative Marumoto 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.B. No. 2927, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Marumoto voting no, and Representatives Cabanilla, Magaoy, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 994-08) recommending that H.B. No. 3163, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3163, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SPECIAL FUND FOR DISABILITY BENEFITS," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoy, Nakasone, Souki and Takai being excused.

At 4:42 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2596, HD 2
 H.B. No. 2675, HD 2
 H.B. No. 2386
 H.B. No. 2387, HD 1
 H.B. No. 2479, HD 1
 H.B. No. 2927
 H.B. No. 3163, HD 1

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1000-08) recommending that H.B. No. 3211, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3211, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Har 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 Har's written remarks are as follows:

"Mr. Speaker, I rise in support with reservations. I agree with the intent of this bill: we should ensure that Hawai'i homeowners have the right to save money and energy by using the hot sun and trade winds to dry their clothes. However, we should also respect those homeowners who have chosen to live in neighborhoods that bar clotheslines for aesthetic reasons and who have signed legal documentation in acknowledgement of these restrictive covenants.

"In those particular neighborhoods, known as homeowners associations, homeowners should certainly have the freedom to place clotheslines in their backyards, behind hedges or visual screens so that they may be hidden and out of view. This is an easy and acceptable compromise that I hope my colleagues will also feel is in order. Thank you."

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

"Mr. Speaker, I would also like to register my vote with reservations and I'll make a brief comment. My concern is that those that live in a planned community, residents who buy into the community sign a contract. That might be in conflict with this. Thank you."

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

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

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

"Mr. Speaker in support. I hope this bill hangs us all out to dry."

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

"In support with written comments which actually talk about some of the concerns our community of Mililani has. Thank you."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 3211, Relating to Solar Energy and clotheslines.

"The purpose of this measure is to reduce our dependence on electricity produced by fossil fuels by providing an alternative to our reliance on electric clothes dryers. This bill allows the use of clotheslines by owners of privately-owned single family residences and townhouses.

"A constituent in my community has concerns regarding this measure. He regards the proposed language as being detrimental to the continued success of Mililani's planned community. He is suggesting that the language be revised to require screened clotheslines to block the view of the clothes drying from neighboring streets and properties with the Association's approval of the planned construction. As the language now stands, it would defeat restrictive covenants already existing in planned communities."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3211, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CLOTHESLINES," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Herkes and McKelvey voting no, and with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1005-08) recommending that H.B. No. 2661, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2661, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1008-08) recommending that H.B. No. 3243, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3243, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. As you are probably aware, opponents from our very own State government have deemed this bill unnecessary. Mr. Speaker, the issue in this case is not only the appreciation of the talented corps of musicians that make up our symphony, but the timeliness of their endowment.

"Our Honolulu Symphony members have been creating innovative new programs to aid education, appreciation, and expansion of the arts here in Hawai'i. The Honolulu Symphony is rich in tradition and continues to enrich our lives by bringing great music to the Hawaiian Islands. Unfortunately, however, the Honolulu Symphony has experienced a shortfall in funding for its operations and programs due to circumstances beyond its control. For all that the Symphony has done for us, in return, it behooves us to support these artists for enhancing the quality of life of the people of Hawai'i.

"I urge my colleagues to support this bill to show our appreciation and support of our own Honolulu Symphony. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3243, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE HONOLULU SYMPHONY AND ITS PROGRAMS," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1013-08) recommending that H.B. No. 3358, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3358, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of H.B. 3358, H.D. 1 that creates a high technology park on the Island of Oahu.

"I agree with testimony provided by Theodore Liu from the Department of Business, Economic Development, and Tourism. He

testified before the House Committee on Economic Development and Business Concerns in support as long as the passage of such a bill "does not replace or adversely impact priorities as indicated in the Executive Biennium Budget."

"He also makes five suggestions that I believe should be considered if an investment in a technology park is a priority of the State. The testimony specifically addresses the requirement of a business plan, the expeditious completion of the project, and exhausting funding options other than the State's general fund prior to appropriating funds. Thank you, Mr. Speaker."

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 rise in opposition to HB3358.

"I do not think it is necessary for us to spend hard earned taxpayer dollars on a new high technology park on Oahu. As a state, we already have a technology park in Mililani and another on Maui. I agree that having a strong technology-based sector in Hawaii would benefit Hawaii, but we should not be solely responsible for funding such a venture. The private sector should also be involved in this type of project. If businesses think they can make a profit by doing business in Hawaii, they will build this park. The State may and should work with these companies to ensure they receive the right incentives to build such a park.

"We should be looking at ways to make Hawaii a more small-business friendly place, where businesses can thrive without being overtaxed. As a gateway to Japan and China, Hawaii should take advantage of its location and show high-technology businesses that we want them to come here. We can offer tax break incentives and land deals to encourage businesses to set up here in Hawaii."

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

Representative Yamashita's written remarks are as follows:

"Mr. Speaker, I rise in strong support of HB 3358, SCR1013-08.

"Hawaii has struggled long and hard to develop a viable high technology industry. However, as we near the sunset date of Act 221, our biggest high technology tax incentive, we must develop new methods for maintaining our high technology sector. One such incentive is the creation of an infrastructure upon which technology companies can start and thrive.

"This bill instructs the Department of Business, Economic Development, and Tourism, in cooperation with the High Technology Development Council to plan for the establishment of a high technology park somewhere on the Island of Oahu. It also appropriates funds for the construction of an infrastructure at that park so that the State can partner with both the federal government and private sector in sustaining the technology industry in Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3358, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Meyer voting no, and Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1014-08) recommending that H.B. No. 2509, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2509, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of H.B. 2509, which establishes a State program for collection, recycling, enforcement, and monitoring of covered electronic devices, and establishes program funding through the Electronic Device Recycling Fund.

"I am reluctant in funding a program like this while there are opportunities for private funding through companies such as Apple. In October 2006 the University of Hawaii coordinated a one-week statewide educational e-waste disposal program, responsibly removing approximately 1.2 million pounds of e-waste from Hawaii.

"The University of Hawaii recently began discussions with Apple, planning another e-waste disposal effort that included governmental entities. Upon introduction of H.B. 2509, Apple asked discussions to be put on hold simply because if the Legislature decided to mandate disposal programs, Apple would have to redirect its resources into other e-waste disposal programs. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I'm voting no on this. I really believe that the private sector can handle this. I don't think we need to create a new recycling program at the State level. Thank you."

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

"Mr. Speaker, I am in support with reservations. I was just going to go straight up, but it was brought to my attention at the last minute that many nonprofit charity groups use this as a way to raise money so I think that needs to be addressed. 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 H.B. No. 2509, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC DEVICE RECYCLING," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Meyer voting no, and Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1015-08) recommending that H.B. No. 2581, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2581, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Carroll's written remarks are as follows:

"The purpose of this bill is to improve accessibility to and availability of adult residential care homes and long-term care facilities in Hawaii by establishing the Home and Community Based Services Care Home and Long-term Care Home Facility Repair and

Renovation Loan Guarantee Program (Program) to provide loans to repair or renovate facilities.

"It establishes the Home and Community Based Services Care Home and Long-term Care Home Facility Repair and Renovation Loan Guarantee Revolving Fund; and appropriates funds.

"Any owner of a home and community based services care home or long-term care home facility who intends to repair or renovate the home or facility and whose construction plans for repair and renovation have been approved by the director of health pursuant to section 321- shall be deemed an eligible applicant who may apply for a loan guarantee to carry out the repair and renovation. An applicant for a loan guarantee shall submit an application to the office on a form to be provided by the office.

"This program will offer our many long term care home facility operators an opportunity to renovate and repair their homes so they will be able to operate their home and community based services appropriately.

"With the rising number of our aging population and increased need for medical services and hospitalization, we are faced with the unavailability of hospital beds. This measure provides us the opportunity to address this issue.

"In addition, the Department of Health requested that this program be changed to a grant program versus a guarantee loan program. They requested that this Legislature appropriate \$6 million each year for this grant program. This grant program would only help those who operate an adult foster care home and a limited amount of people with a loan of a maximum of \$25,000. However, I support a Renovation Loan Guarantee Revolving Fund so we can continue to have funding in our revolving fund to help not only adult foster care homes, but also adult residential care homes, assisted living and all other categories that qualify under home and home based communities services care home or long term care facilities.

"The creation of a guarantee loan program for long term care facilities offers one solution to addressing the issues of renovation and repairs to these facilities. More importantly, the Maui Health Initiative Task Force created through legislation and supported by this Legislature identified and made recommendations such as this guarantee loan program in their report to the Legislature.

"For this reason, I support this measure and ask my colleagues to join me in supporting this important bill, HB 2581."

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

Representative Shimabukuro's written remarks are as follows:

"Mr. Speaker, I am in support of House Bill 2581, which creates a Repair & Renovation Loan Guarantee Program. The program, by means of a revolving fund, will enable owners to fix community-based services care homes and long-term care homes. The program will be administered by an office to be created within the Department of Human Services. Subject to availability of funds, the office will guarantee up to 90% of loan made to an eligible applicant by a private lender. Safeguards are provided in the bill to limit the State's liability.

"One result will be to improve accessibility to, and availability of, adult residential care homes, as well as long-term care facilities. We are all aware of the need for facilities that will provide decent shelter and professional services to our elderly population and persons with disabilities.

"Several organizations and individuals provided supportive testimony at Committee hearings. I urge my colleagues to join me in supporting HB 2581."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2581, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1016-08) recommending that H.B. No. 2897, HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2897, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR ASSET BUILDING," passed Third Reading by a vote of 46 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Souki and Takai being excused.

At 4:47 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3211, HD 2
H.B. No. 2661, HD 2
H.B. No. 3243, HD 2
H.B. No. 3358, HD 1
H.B. No. 2509
H.B. No. 2581, HD 1
H.B. No. 2897, HD 1

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1017-08) recommending that H.B. No. 3352, HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3352, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Awana's written remarks are as follows:

"Mr. Speaker, I rise in support of Standing Committee Report No. 1017-08, House Bill 3352, HD 2, Relating to an Audit of the Hawaii Disability Rights Center.

"Requiring the Auditor to perform a financial and management audit of the Hawaii Disability Rights Center is necessary to determine whether the agency is performing according to the mandate for which it was created. Audits are not meant to be a fault finding but rather, should be viewed as a mechanism to review and correct flaws and weaknesses to improve the system. Transparency and accountability are necessary in the use of government funds to erase all doubts and suspicions on the integrity and capability of the agency to provide a balanced and impartial service to its clientele.

"Thank you, Mr. Speaker."

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

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

Representative Mizuno's written remarks are as follows:

"Mr. Speaker, I rise in support of the Standing Committee Report No. 1017-08, House Bill No. 3352, HD2, Relating to an Audit of the Hawaii Disability Rights Center.

"This bill seeks to address the growing concern on the capability of Hawaii Disability Rights Center to continue to function as Hawaii's Protection and Advocacy (P&A) System. The conduct of a financial and management audit will resolve once and for all, any negative impressions or feedback in regard to the management and operation of the Center. The financial and management audit will likewise be an avenue to review and assess existing policies and procedures, whether the same are attuned to the times and consistent to mandates of the Hawaii Disability Rights Centers. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3352, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AN AUDIT OF THE HAWAII DISABILITY RIGHTS CENTER," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives McKelvey and Rhoads voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1021-08) recommending that H.B. No. 2974, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2974, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition with a few brief comments. Democracy owes a debt of gratitude to unions. It goes back to the democracy movement in Poland, in which Lech Walesa and his dock workers literally helped take down the iron curtain, the Berlin Wall and bring the freedom that's rushed into Eastern Europe. But they did it in a democratic fashion and I think democracy by card check, by which this bill is now asking is contrary to that spirit. And I think that the unions deserve the rights by which they helped build democracy, and that that same spirit of democracy should be built into their unionization. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2974, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 38 ayes to 8 noes, with Representatives Ching, Evans, Finnegan, Marumoto, Meyer, Pine, Thielen and Ward voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1022-08) recommending that H.B. No. 2429, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2429, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I will be voting no on this measure, on Aloha Stadium. I am hoping that at the end of the Session I can vote for this measure. I flag it out at this time.

"This measure will transfer the operations of Aloha Stadium to the University of Hawaii and the existing Stadium Authority will be *kaput*. The new Stadium Corporation will take its place and the stadium, come July 1, will be administratively attached to the University and will be 'run like a business.' Aloha Stadium may indeed do better on their new leadership. Revenues could increase. Behind the leadership of banker Tony Guerrero, UH football could move into the big time. I commend these business leaders who want to help UH football and other athletic programs, but is there a hitch?

"Aloha Stadium needs fixing and it needs it bad. I hear that our beloved 'rust bucket' venue will require \$120 to \$150 million to improve its health and safety. The members of the new Corporation are asking us legislators to pay for these repairs and then they will take it from there. The Corporation can make further improvements by issuing general obligation and revenue bonds. They can also sell the name of the Stadium. They could build skyboxes and sell them to corporations and big-time fans. They contend that they could do a better job negotiating TV rights and marketing the place. Then when all is said and done they might even turn excess revenues over to UH athletics. It sounds wonderful, if it works.

"What if the Stadium doesn't make money? What if the UH football team suffers a slump and fans stay away? Will skyboxes continue to sell? Will national TVs still be interested? If revenues fall or are lackluster, there will be no funds for UH athletics. The bill says the Board of Directors may transfer monies to the University of Hawaii and its intercollegiate programs. Who will get stuck with the revenue loss and/or CIP debt service? If I were President McClain, I would be most concerned about the financial liability of this venture. The stadium loses money now and I fear we'll always lose money in the future. Perhaps this is an unlikely scenario, but one that we, as legislators, have to consider.

"Let's take a step back and look at the big picture. What are our plans for the Stadium? Do we fix it up for one or two decades? Do we eventually build a new stadium at the present site or somewhere else? Are we going to build a transit station near the present Stadium? What will happen to attendance and the parking lot while the station and commercial areas are being built? Alas, I do not know these answers, but don't you think the Legislature, or UH, or the public should know the plan before we turn the Stadium over to a new entity?

"House Draft 2 is an improved version of the previous manifestation. House Draft 1 cut the Board of Regents and the UH Administration out of the actions. It ignored the Governor and the Department of Budget and Finance, to approach the Legislature directly to ask for money. House Draft 1 summarily dismissed union employees. It was an arrogant take away and an unforgivable giveaway. I need not remind my colleagues that past provisions can re-emerge in Conference Committee deliberations. There is also the possibility that the Senate would adopt this version without amendment. In that case Mr. Speaker, absent a veto, the Stadium Corporation will take over on July 1, in just four months.

"I vote no out of concern for the University, my *alma mater* and the *alma mater* of my four children. Are we considering all the intended and unintended consequences of this far reaching proposal? Are we not moving too fast? This institution is too important to our State to jeopardize its reputation or financial standing. Should the measure be enacted however, I would wish the Corporation great success and financial vindication. That would be good news to the football team, and the Athletic Department, and the entire University System, with its thousands of administrators, faculty members, students and alumni. Thank you."

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

"Thank you, Mr. Speaker. In support. This really works toward privatization and I think the real question is, who would you rather have running the stadium: Tony Guerrero or Russ Saito?"

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

"In support. The success of the football season brought the spotlight not only to our outstanding football team, but also on the deplorable conditions of our athletic facilities. The question in the public's mind is, who is responsible? The UH Administration? The Board of Regents? The Legislature? The Governor? Why was this

not brought to our attention earlier instead of waiting until Colt Brennan complained about the lack of soap in the shower room? Unfortunately the answer may be, all of the above.

"Do we fault the Board of Regents or UH Administration for earmarking and giving higher priority for funding much needed repair and maintenance to the Upper Campus? Education of our students is of course, our highest priority. With limited funds to maintain the State's highest educational institution, it is no wonder that attention to athletic facilities may have been falling on the wayside for so many years. This bill is just the start and as written, may not be the answer to funding our athletic departments throughout the University of Hawaii System. But we need to think out of the box, be innovative and harvest ideas from the private and business sector who will not be handcuffed by government bureaucracy.

"Can this new Stadium Corporation do a better job of operating, maintaining and managing and generate more income than the present Aloha Stadium Authority? Can this new Corporation generate enough net income to transfer into the intercollegiate athletics program of the University? This bill specifies that the Legislature shall use its discretion to determine whether the debt service on the general obligation bonds would be reimbursed by the newly created Aloha Stadium Special Fund, or paid only with general funds.

"I ask Members of this body to give this bill a chance as it moves on to the Senate where it will be scrutinized by both the UH System Administration, and the Education and Ways and Means Committees. This is another funding source for the University of Hawaii to help level the playing for our other intercollegiate athletic competitors. This bill will also help the core academic mission of the University by making available more funds for the Upper Campus."

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

"Yes, just in support with real brief comments. To those who wonder if this is going to work, all they need to do is look to Boise State. After Boise State won the Orange Bowl, they took the money and sunk it into their stadium, putting in skyboxes and media boxes. These are multi-year contracts. And as a result, even though they didn't have a winning season last year, the skyboxes were full. And because of the better media facilities, they had better TV coverage which resulted in media contracts, that brought in even millions of more dollars.

"So I think this will work. I think Boise State has shown it will work. And so we need to hopefully move this on. Thank you."

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

"Thank you, Mr. Speaker. I'm rising in opposition. I don't know about Boise State, but I know they won the Fiesta Bowl and I think that did a lot for them. That was two years ago. And I don't know the condition of their stadium, but our stadium needs a lot of work. And according to this bill, the University's just going to take it over and they're not going to have the responsibility of any of the costs to refurbish or maintain the facility.

"Of the \$9 million plus that came in last year from the Stadium, the University's games only represented 13 percent of the revenues. I think you could find any number of people who would like to take over the Stadium on these terms. The deal that's presented here in this bill is this: Keep all the revenues and don't pay any of the expenses. It's a pretty sweet deal. The State will still be stuck with all the expenses and the big repairs.

"We've been told that it would cost \$160 million to bring the Stadium back up to a really great state and it would be another good 25 years. These are not facilities that have short lives. Look at

Fenway Park. It's over 100 years old. So I just don't see the benefit here for the State, and I don't really even know what this Corporation is going to do. It seems like such a one-way street. I don't know what they're bringing to the party. They're not paying anything. They're keeping all the revenues, and the State's still stuck with all the costs. Thank you, very much."

Representative Karamatsu rose in support of the measure and asked that his written remarks and the remarks of Representative Chang be inserted in the Journal as his own, and the Chair "so ordered." (By reference only)

Representative Karamatsu's written remarks are as follows:

"I rise in support. The Legislature finds that Aloha Stadium is a public asset with major structural deficiencies yet untapped potential. The Legislature further finds that transferring jurisdiction over Aloha Stadium to a public body with corporate powers is in the public interest. The Legislature believes that such a corporation would be better able to maximize the use and, consequently, income of Aloha Stadium and generate support for the capital improvement of Aloha Stadium to substantially extend its useful life.

"The Legislature also believes that placing Aloha Stadium under a corporation may result in the generation of net income transferable to the University of Hawaii's intercollegiate athletics program.

"The purpose of this bill is to create the University of Hawaii Stadium Corporation and transfer jurisdiction over Aloha Stadium to the Corporation. The primary duty of the Stadium Corporation is to operate, maintain, manage, and improve Aloha Stadium with the University of Hawaii as the major tenant. The secondary duty is to generate net income from Aloha Stadium that may be transferred to the intercollegiate athletics program of the University of Hawaii.

"The Stadium Corporation will be headed by a Board of Directors consisting of 11 members: the University of Hawaii President, five members appointed by the University Board of Regents, and five other members appointed by the Governor, subject to the confirmation of the Senate. All Board Members must have experience in business, marketing, accounting, economics, engineering, architecture, or sports administration.

"This bill also provides the Stadium Corporation with a certain degree of autonomy and flexibility to perform its duties. Thank you."

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

"Yes, in support with reservations. I liked this idea when we first heard about it. As a Republican, we always trust business more than government. But I think in listening to the testimony, it really reflected in summary what Representative Meyer said, that they didn't want any of the expenses, but only the profits. Just from that point alone, I could not see us supporting this if it stays that way."

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

"Thank you, Mr. Speaker. I'm standing in support. I understand that you want brief comments to be inserted, but I need to make a couple comments regarding this bill. Mr. Speaker within the bill, the fact was highlighted that the intent was to have this new entity have the responsibility, and let me quote what is in the bill. "The corporation for the operation, maintenance, management and the improvement of Aloha Stadium."

"So Mr. Speaker, this entity again, will be responsible for the operation, maintenance, management and improvements of the Stadium. No entities will just get the money and be able to use it on their own behalf.

"Also Mr. Speaker, during our discussions both with the University, with UH Athletic Department and with other entities that are actually excited about this private, potential opportunity to become more involved and use this nexus to expand the range and influence of our University System.

"Mr. Speaker, I understand why people are concerned. We've addressed several concerns, those of the labor unions and the issue of the procurement process. Mr. Speaker, as the process goes on it'll show that this is an opportunity to also enhance our ability for the University of Hawaii to succeed, not only in athletics, but also academically. Thank you."

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

"Thank you, Mr. Speaker. I am rising with reservations and very short comments. Privatization, when I first heard of it, I too was in support. But two of the major parts of privatization I thought were procurement and labor issues. So again, it's hard to grasp what this is going to look like, so I'm going to remain optimistic that maybe we can find something that will work."

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

"In opposition. It's too short to put down in written comments. Those of us who were here in the 90s Mr. Speaker, heard similarly the optimism of which the Hawaii Hospital System Corporation, if it was given a chance to get into the private sector, to privatize, to get joint ventures. And we know now that's a \$25 to \$50 million burden that the State is taking on. But it had the same conceptual notion that we're looking at the Stadium. What it brings to the table is very little, and how we're going to turn the corner in terms of probability is very, very remote. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2429, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RECREATION," passed Third Reading by a vote of 40 ayes to 6 noes, with Representatives Belatti, Berg, Marumoto, Meyer, Morita and Ward voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1024-08) recommending that H.B. No. 2388, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2388, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

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 am rising in opposition to this bill. HB 2388 is similar to one that the Governor vetoed last year.

"Mr. Speaker, this bill requires an employer or employer's insurer to continue to pay for medical treatment even after the employer or employer's insurer considers the continued treatment to be inappropriate AND after an independent examiner has concluded the employee is ready to go back to work.

"Requiring an insurer to pay for medical services that were determined unwarranted or unnecessary with no substantive right to recovery until the parties are notified of the Director's decision

denying the benefits, will likely result in higher workers' compensation premiums, since this adds to the workers' compensation risk exposure of all businesses in Hawaii.

"There are already adequate safeguards within the statute, Administrative Rules, and current practices to insure that an individual receives appropriate medical care. If the treatment being provided is no longer related to the industrial injury, then those services should be billed to the private medical carrier and not be a burden on the workers' compensation system.

"Over the past year, our businesses have seen their workers' comp premiums decrease due to safer workplace environments throughout the State. I don't see any reason why this Legislature would want to "punish" employers for having safer work environments by passing this bill that will increase their workers' compensation premiums. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2388, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 41 ayes to 5 noes, with Representatives Ching, Finnegan, Marumoto, Meyer and Pine voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1025-08) recommending that H.B. No. 3174, as amended in HD 1, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 3174, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL FISHERIES REGULATIONS," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1026-08) recommending that H.B. No. 7, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 7, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of H.B. 7, H.D. 1, which directs the Governor to establish the State of Hawaii's participation in the I-SaveRx prescription drug program. I can appreciate the intent of this bill which tries to lower the cost of prescription drugs, but the importation of unapproved drugs is prohibited under federal law.

"Testimony from the State Attorney General also states that, "the interstate shipment of any prescription drug that lacks required FDA approval is also illegal." The same testimony also provides details on the drug distribution network for legal prescription drugs within the United States that protects the public from receiving unsafe, ineffective, or poor quality medicine. Federal law also prohibits any person other than the original manufacturer of a drug originally manufactured in the United States to receive imported drugs. Thank you, Mr. Speaker."

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

Representative Takumi's written remarks are as follows:

"Mr. Speaker, I am in support of this measure. Let's be clear. This measure is not the best solution to lower the cost of prescription drugs in our State. But it's become clear that expecting the federal government to do something is wishful thinking.

"States can and must take action and this measure is one example of what we can do. The bill enables the State to participate in the I-SaveRx program that is currently in effect in five states.

"I-SaveRx is a prescription drug reimportation program whereby a pharmacy benefits manager, a PBM, works with member states to enable its residents to access discounted drugs through the internet and a toll-free number. Illinois alone saves its residents over \$100 million a year through this program.

"What kind of savings are we talking about? Let me give two examples.

"Lipitor is an anti-statin drug for those who have high cholesterol and is taken by over 26 million Americans. A 90-day supply from Long's will set you back \$393.85. For those who have access to I-SaveRx, their cost would be \$234.14, a savings of almost \$150.

"Or take Nexium, the well-known proton pump inhibitor used to treat acid reflux or heartburn. (And after today's session some of us may need a dose.) Go to Long's and be prepared to pay \$499.30 for a 90-day supply whereas I-SaveRx will cost you \$211.70 or 57 percent less.

"Why shouldn't the residents of Hawaii have the ability to access prescription drugs at a lower cost that will improve their quality of life?

"HB7 HD1 is a modest attempt to do just that."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 7, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE I-SAVERX PRESCRIPTION DRUG PROGRAM," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1027-08) recommending that H.B. No. 12, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 12, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Takumi's written remarks are as follows:

"I am in support of this measure. In 1993, Minnesota became the first state to ban certain gifts and require the disclosure of marketing tactics employed by the drug industry to doctors. Minnesota did this out of concern that the pharmaceutical industry does not compromise patient health and safety by aggressive marketing practices.

"The measure before us does not ban gifts, but merely creates transparency to benefit consumers and ensure that medical decisions are made based on sound medical judgment and evidence.

"Last year, The New York Times reported extensively on the data collected as a result of the Minnesota law. It revealed conflicts of interests, suspect clinical decisions, and marketing tactics that raised serious concerns.

"Of course, there is nothing illegal about these practices and nothing should be implied or inferred that suggest this. However, as the article reported, ". . . research shows that doctors who have close relationships with drug makers tend to prescribe more, newer and pricier drugs—whether or not they are in the best interests of patients."

"That said, we should join Minnesota, Vermont, West Virginia, the District of Columbia, and Maine in enacting this measure which will benefit our residents and ensure that medical decisions are not based upon marketing ploys, but sound medical reasons."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 12, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUG COST CONTAINMENT AND AFFORDABLE ACCESS," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:05 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3352, HD 2
H.B. No. 2974, HD 2
H.B. No. 2429, HD 2
H.B. No. 2388, HD 1
H.B. No. 3174, HD 1
H.B. No. 7, HD 1
H.B. No. 12, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1028-08) recommending that H.B. No. 2504, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2504, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIGHTING," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1029-08) recommending that H.B. No. 2863, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2863, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. On Standing Committee Report 1029, I wanted permission to put the remarks of the Sierra Club into the Journal. I'm in opposition to the bill. Thank you."

Representative Thielen submitted the following testimony:

"The remarks of the Sierra Club, Hawaii Chapter are as follows:

HB 2863, HD 2 Permit deadlines for renewable energy projects

While we greatly appreciate the intent behind the measure – ostensibly to expedite the development of renewable energy sources in Hawai'i – we fear that faulty decision making may result if agencies and commissions are forced to expedite energy permits at the expense of reduced public input and deliberation. The State or our environment may be liable if a crucial environmental issue – say a habitat conservation plan for an endangered bird – delays a project. First, it has been our experience in tracking clean energy developments in Hawai'i that the environmental disclosure and permitting hurdles are lower on the list than the obstacles such as financing, land acquisition, and interconnection agreements with the

electricity utility. In fact, interconnection agreements seem to be the biggest roadblock. Second, our existing permitting process protects the environment and the public's right to provide input in the decision making. This usually makes for better sitting and development decisions. Given that many of our indigenous energy resources will be harnessed in remote or ecologically sensitive areas proper permitting and analysis are crucial. In the case of the Kaheawe pastures on Maui, the existing permitting process produced an agreement to protect the Nene and other species. But expediting permitting of new renewable energy facilities – particularly those that are located in wild areas – may cause important resource protection measures to be overlooked. Third, some of the "renewable energy facilities" contemplated in HB 2863 HD1 may be truly fossil fuels facilities in disguise. A recent proposal to produce bio fuel by Kauai ethanol LLC sought a covered source air permit to burn imported coal at the facility to convert molasses to ethanol. In lieu of this measure, the Sierra Club would fully support bills to provide a renewable energy facilities coordinator at DBEDT (an ombudsman of sorts) to help shepherd projects, priority processing of renewable energy permits, and any other measures to cut bureaucracy – as long as the existing public input and environment process remain intact."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2863, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading by a vote of 42 ayes to 3 noes, with Representatives Luke, Saiki and Thielen voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1030-08) recommending that H.B. No. 2256, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2256, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Finnegan voting no, and Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1032-08) recommending that H.B. No. 3279, as amended in HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 3279, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"I'm rising just with reservations on this particular issue, Stand. Com. No. 1032. This is a budget grant-in-aid for the Hawaii United Okinawa Association. My only concern is that we are going to handle grants-in-aid in a different way this year. And so I thought that maybe all the grants-in-aid would be considered the same way. But yet this one comes as a bill, so that separates it out from the rest of the flock. And that's my only reservation. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 3279, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII UNITED OKINAWA ASSOCIATION," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1033-08) recommending that H.B. No. 2520, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2520, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations 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 am in strong support of HB2520, a bill which supports strong families, strong workplaces and strong communities by providing employees with "time to care" for a family member who suffers a "serious health condition."

"Mr. Speaker, this Legislature tasked the Joint Legislative Committee on Family Caregiving to look for solutions – one aspect of this was to look for how we can assist the family caregiver, who is still an active employee, to be able to remain in the workforce while still discharging caregiving duties.

"Balancing the demands of job and family is a tremendous challenge for working people today. Under current conditions, it is often insurmountable and the caregiver gives up his job, however, states have led the way in fostering family friendly workplaces.

"More women with children, as well as dependent parents, work than ever before. People who must work to provide for their families increasingly find themselves torn in two directions. Meanwhile, many businesses find it hard to recruit, train and keep skilled workers. Without paid time, too many people can't discharge their caregiving duties when the recipient has an emergency illness, surgery or accident.

"Paid family leave would be a big investment in Hawaii's workers and its economic prosperity.

"Hawaii's existing Temporary Disability Insurance system (TDI) offers a perfect solution to build upon. The TDI system must evolve to accommodate the changes of the workforce and family lifestyles. TDI already provides partial wage replacement to people who need time off for illness or injury. Expanding TDI would require only a modest increase in cost and could be paid either by the employer or passed on to the employee.

"The increased cost cannot be compared to the cost of hiring a new employee and providing training or the impact of the loss of a key and experienced employee.

"The time has come for everyone in our community to begin to take responsibility for the increased responsibilities of an aging community.

"The family caregiver in Hawaii provides 15% of the elder care in Hawaii compared with 5% on the U.S. mainland. The family caregivers in Hawaii are a tremendous economic asset to the State – the time has come to let them know we care.

"Opponents have said this bill is contrary to the intent of the TDI law. However, I feel it is completely consistent as it allows people to get back to work. What this does is amend 392-2 HRS, which is the findings and purpose section of the TDI law, to include providing reasonable compensation for wage loss caused by the need to care for a family member with a serious health condition.

"Some may say we would increase the cost of doing business, but in reality this is a policy decision which strengthens the work force and in turn strengthens our state. Hawaii is currently experiencing a labor shortage. The cost of extending TDI benefit payments for

caregiving purposes should always be weighed against the benefit of maintaining a robust work force.

"A national poll conducted in 2007 by Lake Research Partners shows that 76% of voters support paid family leave. Support is strong across geographic, demographic and party lines. In an earlier poll, 4 out of 5 working women said that access to paid family leave is more important than increased pay, promotions or job flexibility.

"The bill gives ample time for the Labor Department to work out administrative details until 2009 and yet another year, until 2010, to implement.

"Let's follow the lead of states like California, Washington and New Jersey—New Jersey specifically places this into TDI. I urge the Members' support."

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'm rising in opposition to House Bill 2520.

"Employers should not be mandated to provide wage replacement benefits by way of Temporary Disability Insurance (TDI) for employees unable to work due to caring for a family member.

"TDI is meant to cover an employee when they can not come to work due to a personal injury. By extending TDI to cover an employee's absence from work due to caring for a disabled family member, we will surely increase the cost of TDI to businesses.

"I am also concerned that this bill would pose a great hardship on employers if employees are out week after week. Also, this bill won't really help people who are caring for elderly parents because such care requires a substantial amount of time far more than this bill would allow."

Representative Marumoto 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 H.B. No. 2520, HD 3, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVERS," passed Third Reading by a vote of 43 ayes to 2 noes, with Representatives Meyer and Pine voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1034-08) recommending that H.B. No. 396, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 396, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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 H.B. No. 396, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE PROCUREMENT CODE," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Meyer voting no, and Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1035-08) recommending that H.B. No. 2961, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2961, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Yamashita's written remarks are as follows:

"Mr Speaker, I rise in strong support of HB 2961, SCR1035-08.

"With the passage of Act 206, SLH 2007, this measure gives the Director of the Department of Taxation additional information to evaluate the economic impact of each existing and proposed tax incentive and to report back to the legislature on its findings every year until 2012.

"As lawmakers, we currently grant many tax incentives, but we must have a clear understanding of how the tax incentives are impacting our economy and annual revenues. Passage of this measure will give us that clear understanding. Thank you."

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

"Thank you. With reservations, Mr. Speaker. I believe this bill sunsets all existing tax credits, so I just wanted to note my reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2961, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1036-08) recommending that H.B. No. 2186, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2186, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you, Mr. Speaker. I rise in support with reservations of H.B. 2186, H.D. 2, which extends from 90 days to one year of a unilateral special education placement, the time allowed for parents or guardians or the Department of Education to request an impartial hearing regarding reimbursement for the costs of a child's placement.

"I understand that the system is difficult to work through at times. I would rather see the process improved to respond and help guide parents or guardians to a fair outcome. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2186, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

At 5:10 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2504, HD 2
H.B. No. 2863, HD 2
H.B. No. 2256, HD 2
H.B. No. 3279, HD 1

H.B. No. 2520, HD 3
 H.B. No. 396, HD 2
 H.B. No. 2961, HD 2
 H.B. No. 2186, HD 2

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1037-08) recommending that H.B. No. 2973, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2973, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

Representative Finnegan 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 Finnegan's written remarks are as follows:

"Thank you Mr. Speaker. I rise in support with reservations on H.B. 2973, H.D. 2, which establishes an early learning system in the State and creates the Early Learning Council to develop and administer the system.

"This is a very good bill. My reservations stem from the fact that the governance structure is not included and the program is administratively attached to the Department of Education. I would rather see it attached to the Department of Human Services or the University of Hawaii. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2973, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY LEARNING," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1038-08) recommending that H.B. No. 1745, HD 2, as amended in HD 3, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1745, HD 3, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Thank you, Mr. Speaker. I rise in strong opposition of H.B. 1745, H.D. 3, which establishes job security requirements upon the sale, merger or other transfer of a business establishment that employs 100 or more persons. I believe enacting a law of this nature could be detrimental to Hawaii's economy.

"I agree with testimony from The Department of Labor and Industrial Relations that it would not be in our best interest to dictate to private companies on who they should hire and terminate under certain circumstances. Private companies making an investment would naturally look at retaining personnel that represent the best interests of the company. They don't necessarily have to be told who to keep, they already know because of the extensive research that is done prior to buying the company or business.

"On the other side of the coin, if a business isn't sold because of the unattractive requirement of keeping all the employees, the likelihood of the business going under is greater. The mechanism put in place in attempt to keep all jobs actually jeopardizes them all. Thank you, Mr. Speaker."

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 rise in opposition to this bill. HB1745 is just another bill introduced by this Legislature to increase regulations and place restrictions on the private sector. I don't know what business would in its right mind acquire a failing business if it was forced to retain all the employees of the failed business. A company buying another company will naturally want to keep the good employees, and remove the employees that do not fit into their plans. That is the way the private sector works.

"This bill also interferes in the new employer's right to select employees appropriate for their goals and objectives. As a result, it may have an adverse consequence of discouraging capital investment in Hawaii because purchasers will be more reluctant to acquire companies in Hawaii as a result of the unreasonable requirements and mandates.

"I urge my colleagues to vote in opposition 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 H.B. No. 1745, HD 3, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Third Reading by a vote of 39 ayes to 6 noes, with Representatives Ching, Evans, Finnegan, Marumoto, Meyer and Thielen voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

At 5:13 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2973, HD 2
 H.B. No. 1745, HD 3

THIRD READING

H.B. No. 2216, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2216, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

H.B. No. 2217, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2217, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF INFORMATION PRACTICES," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

H.B. No. 1978, HD 1:

Representative Caldwell moved that H.B. No. 1978, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Yes, with reservations. May I have the words that I spoke on Second Reading inserted in the Journal for Third Reading," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and H.B. No. 1978, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ORDER," passed Third Reading by a vote of 44 ayes to 1 no, with Representative Thielen voting no, and Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

H.B. No. 2730, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2730, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGAL REQUIREMENTS FOR NEIGHBORHOOD BOARD MEETINGS," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

H.B. No. 3013, HD 1:

Representative Caldwell moved that H.B. No. 3013, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Thank you, Mr. Speaker. I rise in strong opposition of H.B. 3013, H.D. 1, which adds a new section to Chapter 14, Hawaii Revised Statutes, to enact agreement that allows member states to determine the winner of a presidential election by "national popular vote." The Electoral College was set up for small states to have a voice and we shouldn't be so willing to give that up. Thank you, Mr. Speaker."

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

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

Representative Berg's written remarks are as follows:

"I rise today to speak in opposition to HB 3013 HD1, Relating to the Agreement Among the States to Elect the President by National Popular Vote.

"This bill would, in effect, amend the U.S. Constitution to bypass the role of the Electoral College in future presidential elections. It would, on the basis of minimal public discussion and debate, overturn two hundred years of constitutional law.

"Whether the Electoral College still serves its original purpose is certainly a legitimate question. But this bill has generated little public debate here in Hawaii, has drawn virtually no public testimony in support or opposition, and has not been subjected to the scrutiny that we should rightly expect for such a significant change in our constitutional system of government.

"HB 3013 HD1 has been guided through this Legislature by well-known lobbyists, who have done an effective job at moving it ahead with little public notice. That may be good lobbying, but it is not good public policy.

"This bill also raises the potential both for unintended consequences and setting an unfortunate precedent. Would this bill strengthen Hawaii's voice in the presidential selection process or reduce it to insignificance? If this measure shunts aside this one constitutional provision by a simple majority vote and without the protections built in to the process of amending the Constitution, will other aspects of the Constitution become fair game in the future?"

"For these and related reasons, I will cast my vote today against HB 3013, HD1."

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 rise in strong opposition to this measure.

"House Bill 3013 attempts to circumvent the procedures already set in place by our founding fathers in the US Constitution. The Electoral College is a sacred and important voting mechanism. It has served our State well over the years. The Electoral College protects small states from becoming irrelevant to the election process. If we require Hawaii's Electoral College to cast its votes to the Presidential candidate that wins the popular vote, Hawaii's electoral college will no longer be seen as a voice of the people and will be seen as a "pawn" of larger more populated states who may have voted for a candidate the voters of Hawaii did not want as President. For example, Hawaii voted for John Kerry for President in 2004, but under this law, Hawaii would have to give its electoral votes to President Bush because he won the popular vote. I believe the Electoral College is important and allows Hawaii to voice its preference for President and this bill could remove Hawaii from relevance during a presidential election."

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

Representative Belatti 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 H.B. No. 3013, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGREEMENT AMONG THE STATES TO ELECT THE PRESIDENT BY NATIONAL POPULAR VOTE," passed Third Reading by a vote of 36 ayes to 9 noes, with Representatives Belatti, Berg, Ching, Finnegan, McKelvey, Meyer, Pine, Saiki and Thielen voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

H.B. No. 1968, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1968, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," passed Third Reading by a vote of 45 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki, Takai and Ward being excused.

At 5:16 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2216, HD 1
H.B. No. 2217, HD 1
H.B. No. 1978, HD 1
H.B. No. 2730, HD 1
H.B. No. 3013, HD 1
H.B. No. 1968, HD 1

H.B. No. 2355, HD 1:

Representative Caldwell moved that H.B. No. 2355, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Mr. Speaker, I rise in support with reservations on SCR 710.

"I understand that HB2355 was drafted to stop "fake farms" from receiving special permits to drill wells. I have strong reservations because there is no provision for a farmer to receive a permit for a well. A 5-year moratorium could create a real hardship for a real farmer who could benefit from a well. Being a farmer in Hawaii is hard work and I think this Legislature should continue to work with farmers to make sure they get the help that they need.

"The Commission on Water Resource Management has testified that under the common law in the State of Hawaii, in areas that have not been designated ground-water management areas under §174C-41, Hawaii Revised Statutes, landowners have an established correlative right to drill a well and take some water underlying their lands. This is provided that there are insignificant impacts to other nearby existing wells and ground- and surface-water resources. It is unclear how this bill would affect such correlative rights. So I hope that the Legislature will work with the Commission on Water Resource Management to address their concerns so our farmers will not be negatively impacted."

The motion was put to vote by the Chair and carried, and H.B. No. 2355, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WELLS," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Herkes and Sagum voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2243, HD 1:

Representative Caldwell moved that H.B. No. 2243, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

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

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support of this measure. Although the testimony may muddy the water in regards to why this bill is necessary, it may be helpful for the Members to have some background on this bill. This measure is designed to fix a particular anomaly in land use law. The problem arises specifically from a Maui Corporation Counsel opinion that in the case of an invalidated zoning, the permissible uses of the property would be those that were valid under the previous classification. Thus, certain parcels that were reclassified as urban by the LUC, when zoned as something different by the County Council, would revert to the original classification.

"Land use law presented a sweeping policy change in the late 1950s, and it is a testament to the vision of the legislators at the time that we have not encountered major difficulties in the present system. This bill is a lead indicator of another great shift in land use law. With major changes in the way land is traditionally owned in Hawai'i, this measure seeks to help eliminate bureaucratic entanglements. I hope my colleagues can support this measure to demonstrate to the public that we do have a clear vision for what we would like Hawai'i to become."

The motion was put to vote by the Chair and carried, and H.B. No. 2243, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," passed Third Reading by a vote of 43 ayes to 3 noes, with Representatives Berg, Saiki and Thielen voting no, and with

Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 1975, HD 2:

Representative Caldwell moved that H.B. No. 1975, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Mr. Speaker, I rise in support with reservations.

"Mr. Speaker, when a dignitary from another country visits the Islands, I think the Legislature should make sure we honor our guests with the highest respect and the warmest aloha possible. However, I do not think this is a primary duty of the Legislature.

"I believe it is the duty of the Executive Branch to handle protocol arrangements. Our current Governor has honored many guests from other countries and has also visited many countries during her term in office. Her office is more than capable to arrange for our special guests from foreign countries.

"If any of our Legislators want to honor special guests personally, I feel we have enough of a generous allowance to entertain these guests during their visit. This fund is unnecessary."

The motion was put to vote by the Chair and carried, and H.B. No. 1975, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL AFFAIRS," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2874, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2874, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PARKS ON KAUAI," passed Third Reading by a vote of 45 ayes to 1 no, with Representative Finnegan voting no, and Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2956, HD 1:

Representative Caldwell moved that H.B. No. 2956, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative Belatti's written remarks are as follows:

"I am opposed to House Bill 2956, H.D. 1 because it strips communities and individuals of their current rights under H.R.S. Chapter 91 to influence the rulemaking process that will affect areas within their neighborhoods.

"This measure is a short-sighted, dangerous reaction to Tanaka v. State of Hawaii, 2007 WL 4572956 (Haw. App. 2007), a court decision in which the Intermediate Court of Appeals held that the Department of Land and Natural Resources (DLNR) must follow the administrative rulemaking procedure set forth in H.R.S. Chapter 91. This process includes requirements of notice and opportunity to be heard.

"First, I am concerned that this measure is short-sighted because while the current Board may promulgate rules that are favored by a community or one constituency within the community, what

safeguards exist that future Boards promulgate rules that are favored by the community? Without public hearings and the opportunity for the public to be heard under H.R.S. Chapter 91, people will only be able to speculate as to why hunters got a favorable outcome over homeowners or vice versa. Specific constituencies and the public-at-large will be left out of the decision-making process with little recourse for rulemaking gone afoul. I am not sure we are prepared to tell our constituents that their thoughts on rules no longer matter.

"Second, I believe that this measure, although restricted at this time to only rulemaking over lands managed by the DLNR, it sets a dangerous precedent of taking away the rights and abilities of communities and individuals to be involved in the rulemaking process over resources. Giving the Board this amount of discretion to create rules for hunting, may lead to greater discretion in creating rules under other areas of DLNR jurisdiction. We may even have to worry about other agencies requesting the same kind of flexibility.

"The rights of the public to know and to be heard before administrative agencies are important. Because House Bill 2956, H.D. 1, as drafted, erodes these rights, I cannot support this measure at this time."

At 5:19 o'clock p.m., Representative Caldwell requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 5:20 o'clock p.m.

The motion was put to vote by the Chair and carried, and H.B. No. 2956, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUNTING," passed Third Reading by a vote of 41 ayes to 5 noes, with Representatives Belatti, Berg, Carroll, McKelvey and Takamine voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:22 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2355, HD 1
H.B. No. 2243, HD 1
H.B. No. 1975, HD 2
H.B. No. 2874, HD 1
H.B. No. 2956, HD 1

H.B. No. 2732, HD 1:

Representative Caldwell moved that H.B. No. 2732, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you. Mr. Speaker. I'm rising with some serious reservations about this bill. Thank you. This is relating to the Kakaako area and it is taking a present requirement for lower income housing in any residential development from a 20 percent level to a 25 percent level.

"We were told by the people that are the most likely to be able to develop that area that it was, and I quote, "a massive disincentive to develop." So if we haven't been able to develop at the 20 percent level, I don't see how we accomplish getting housing out there for people that need it by raising the percentage to 25 percent. That just doesn't make sense. Thank you."

Representative Belatti 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 Belatti's written remarks are as follows:

"I rise with serious reservations on House Bill 2732, H.D. 1 – Relating to Kakaako. As noted by my earlier comments on House Bill 2807 and the importance of enforcing affordable housing requirements, I am deeply concerned that this bill introduces a new mechanism into Hawaii's marketplace that allows the transfer, crediting or banking, and sale of affordable housing or reserved housing requirements in lieu of the actual building of affordable or reserved housing units. In light of the lack of affordable housing available to our local residents, I am not sure allowing this transfer, crediting or banking, and sale of affordable housing requirements is the right approach to follow."

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

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

Representative Shimabukuro's written remarks are as follows:

"Over the years, the cost of land and housing in Hawaii has risen to unattainable levels, especially for those members of our community who fall in the low and moderate income levels. The dreams of our residents and the future generations of having their own homes is out of reach.

"Without affordable housing, our future generations will not remain here to help in the building and development of Hawaii's future. I love this land, and aloha is what we perpetuate in our relationship with each other and in the way we've been taught to care for this special place.

"Housing built in the urban core can greatly add to a household's quality of life. With its proximity to retail shopping, restaurants, entertainment, and parks, Kakaako would be fulfilling a vision for a quality urban community. Kakaako is the only urban area that has the infrastructure capacity to accommodate a high density initiative.

"This bill will increase the percentage of area designated as reserved housing and encourage the private sector to develop much needed low, moderate, and workforce housing that will become a livable community and provide housing opportunities for young couples and families.

"By allowing developers to build vertically, the cost per unit can be significantly lowered thereby giving developers the financial incentive needed to undertake the risk of building projects with such affordable housing requirements while simultaneously allowing for more open space.

"With the remaining undeveloped lands in Kakaako, estimated at 100 acres, it would be possible to develop approximately 15,000 affordable housing units or 50 more residential projects."

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:

"Mr. Speaker, I'm rising in favor of HB 2732, HD1 with some strong reservations.

"Mr. Speaker, this bill by changing the rules for particular lots, changes HCDA's plans without deliberating the broader impact of the overall planning context or consequences. This bill fails to recognize that HCDA's reserved housing programs have historically delivered a balanced blend of housing alternatives in Kakaako. Over 27% of housing built in Kakaako since 1982 have targeted those who are in the affordable housing income range. The present rules provide a sufficient mandate for landowners and developers to construct even more additional affordable housing units in Kakaako.

"This bill creates a burdensome requirement for Kakaako by imposing an extraordinarily high reserved housing percentage on a broadened range of development projects.

"With our ever expanding need for affordable housing, we need to make sure we allow the HCDA to be as flexible as possible. I urge my colleagues to work with the HCDA and allow them to continue their redevelopment plan for Kakaako."

Representative Berg 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 H.B. No. 2732, HD 1, entitled: "A BILL FOR AN ACT RELATING TO KAKAAKO," passed Third Reading by a vote of 45 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2204, HD 1:

Representative Caldwell moved that H.B. No. 2204, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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'm rising in opposition of House Bill 2204.

"There is no reason why government entities should be excluded from the current section of HRS 663-9.5 making gun owners absolutely liable for their actions. I believe government entities should be held to the same standard as private individuals.

"This bill amends HRS 663-9.5 by specifying that "owners shall not include government entities." What about the Police, DLNR Resource Agents, Deputy Sheriffs, etc? They need to be held liable for carelessness or inappropriate accidents involving firearms.

"I believe in the 2nd Amendment right to keep and bear arms and I don't believe we should exempt all government entities from liability."

The motion was put to vote by the Chair and carried, and H.B. No. 2204, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LIABILITY OF A FIREARM OWNER," passed Third Reading by a vote of 42 ayes to 3 noes, with Representatives Finnegan, Marumoto and Meyer voting no, and with Representatives Cabanilla, Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2391, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2391, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGAL SERVICE," passed Third Reading by a vote of 43 ayes to 2 noes, with Representatives Finnegan and Meyer voting no, and with Representatives Cabanilla, Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2476, HD 1:

Representative Caldwell moved that H.B. No. 2476, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, very quickly, in strong support. Dogs provide valuable services to the people. They provide aid, protection to the

blind, aid in prosecution, prevention of drug crime, besides providing comfort and companionship. Nationally they aid in national security efforts.

"It's time we respect that dog is man's best friend because the character of the dog has earned it that honor, and this bill will replace the offense of cruelty to animals with a more comprehensive prohibition of dog fighting."

At 5:25 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 5:25 o'clock p.m.

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

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

Representative Finnegan rose in support of the measure and asked that the remarks of Representative Ching 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 H.B. No. 2476, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRUELTY TO ANIMALS," passed Third Reading by a vote of 45 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2557, HD 1:

Representative Caldwell moved that H.B. No. 2557, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I will rise in support of this measure. Thank you, very much. Everyday we rely on the media for information. Some of the information we get is mundane, and some information is extraordinary. As citizens we rely on newspapers, radio and TV news to keep us in touch with what is going on all around us, and as a result, across the State holds a place of distinction within our democracy. For this reason we should protect the means by which the media obtains information through a journalistic shield law so as to allow our democracy to function as our Founding Fathers intended.

"When there was corruption or illegality afoot, it is oftentimes the media that exposes it to the light of day. It is the media that serves as a watch dog for us all by investigating injustices that we either do not see, or do not wish to see. Shield laws help in protecting whistleblowers in fighting crime and rooting out corruption and uncovering cover-ups, such is the importance of our free press. To get that information however, is not always easy. Given the sensitive subject area of some newsworthy stories, it is not surprising that those who go to the media to break a story often do so under the condition that the reporter will not reveal the source of his or her information. Because of the benefit they provide to society I believe that journalists, newscasters and other members of the traditional media should undoubtedly be protected.

"I question however, whether all bloggers should enjoy the protection that the traditional media will have under this proposed bill. Members of the traditional media have professional and ethical standards of ethics to which they must adhere. They are accountable to their editors, as well as to their reading, listening and viewing public. While some bloggers have established reputations and followings, others in contrast, are unknown to their public and are accountable to no one. Because of the ambiguous and varying

standards that bloggers hold themselves to, we should carefully examine whether all bloggers should serve our democracy in the same way as traditional media and are deserving of total immunity under the shield law.

"Although I have not completely resolved the issue of whether all non-traditional reporters and bloggers are deserving of the same treatment, I and Members of this Caucus nonetheless support this bill because we support a robust democracy that our media helps to provide. Thank you."

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

"Mr. Speaker, I rise in support of this measure and would like to submit written comments. But I have a few brief comments to commend the Majority Floor Leader for this bill that he introduced, and for the consideration he took in consideration of my bill.

"I think what's being worked on is something that's going to come out somewhere in between with those information overload vis-à-vis bloggers because right now Mr. Speaker, there's probably no perspective you can't get off the Internet. You name it, you can pull it out. And I think we need now more than ever this notion of First Amendment shield law, the freedoms would otherwise have been abused and sometimes government like us will become a bit forceful.

"So this is a very good bill. I hope it moves along, gets polished, get feather-edged and comes out to be a fine piece of work for all of us."

Representative Wards' written remarks are as follows:

"Mr. Speaker, I rise in support for HB2557, HD1, which limits compelled disclosure of sources or unpublished information for journalists, newscasters and persons participating in collection or dissemination of news or information of substantial public interest. This measure is commonly referred to as the "Shield Law."

"Mr. Speaker, this is a very important issue that must be addressed to reinforce the First Amendment Rights of journalists across the media spectra and I authored a similar measure in HB1986.

"I do have a reservation for this measure; however, as it has a rather large loophole that could be used by law enforcement and the Judiciary to compel testimony. As it is currently worded, journalists would be compelled to reveal their sources, *"if the person claiming the privilege has committed, is committing, or is about to commit a crime; is a witness to the commission of a crime, or if in a civil matter, the source or information is necessary or relevant to the claim or defense asserted."* While well intentioned, this exception would preclude a journalist from receiving any type of information from government sources. For example, as it may be recalled, "Deep-Throat" was violating the law by talking to Woodward and Bernstein as he was revealing classified information. They, in turn, were witnessing the commission of a crime.

"In addition as the bill is currently written, it has not taken into account the change that technology has brought to the profession of journalism. I would recommend that the definition of journalists be expanded to include those whose principal transmission medium is via the Internet.

"Mr. Speaker, freedom of the press is essential to a functioning democracy. A clear shield law is necessary to protect journalists' ability to report on various elements of society, without concern for arrest or detention.

"Mr. Speaker, I support HB2557, HD1 as an excellent start to providing journalists the protection they need to conduct their profession and to protect our democracy."

The motion was put to vote by the Chair and carried, and H.B. No. 2557, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EVIDENCE," passed Third Reading by a vote of 45 ayes, with Representatives Cabanilla, Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:31 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2732, HD 1
H.B. No. 2204, HD 1
H.B. No. 2391, HD 1
H.B. No. 2476, HD 1
H.B. No. 2557, HD 1

H.B. No. 3355, HD 1:

Representative Caldwell moved that H.B. No. 3355, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

"Thank you, Mr. Speaker. I'm rising in opposition to this bill. Mr. Speaker, this bill will permit the investigators of county liquor authorities, the liquor investigators, to possess electric guns.

"There's real concern about that. Number one, just the wisdom of arming liquor inspectors. And the other point is that there have been some number of deaths that are associated with use of these electric guns or taser guns. There's a lack of independent studies on several critical safety issues and the policy allowing the use of those weapons. I think when you involve weapons with alcohol and in that kind of situation, we could be creating more trouble than we could be preventing. Thank you."

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

"Thank you, Mr. Speaker. In support. Very quickly, the person that asked me to introduce this bill said that the liquor control investigators currently have the same powers as police officers. So they currently carry guns. He felt that a taser might be a safer way to go. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 3355, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC GUNS," passed Third Reading by a vote of 37 ayes to 9 noes, with Representatives Belatti, Berg, Bertram, Cabanilla, Ching, Finnegan, Green, Meyer and Thielen voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 1075, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 1075, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2920:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2920, entitled: "A BILL FOR AN ACT RELATING TO FRAUD PREVENTION," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2872:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2872, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:34 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 3355, HD 1
H.B. No. 1075, HD 1
H.B. No. 2920
H.B. No. 2872

H.B. No. 2540, HD 1:

Representative Caldwell moved that H.B. No. 2540, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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:

"Mr. Speaker, I rise in support with reservations on SCR No. 869, HB 2540, which provides an income tax and GET exemption to companies that provide potable water.

"According to the Tax Foundation testimony it is unclear who this particular measure would benefit and how the operation is structured. The Tax Foundation went on to testify that a separate nonprofit that has been set up to provide potable water is not what the federal law originally addressed in 501 (c) (12) which applies to benevolent life insurance associations of a purely local character, mutual ditch or irrigation companies, mutual or cooperative telephone or electric companies Ditch and irrigation companies do not provide potable water and, therefore, it is curious to whom this proposal would apply.

"I am also concerned that this bill targets only a small number of businesses because they are considered doing something special. If companies like these are struggling, then they should improve their business plan because I don't think the State can benefit from only helping a few select companies."

The motion was put to vote by the Chair and carried, and H.B. No. 2540, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Berg and Finnegan voting no, and Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2737, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2737, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER RESOURCES," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 3259, HD 1:

Representative Caldwell moved that H.B. No. 3259, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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 H.B. No. 3259, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ALA WAI WATERSHED," passed Third Reading by a vote of 46

ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2099, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2099, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT," passed Third Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 2942, HD 1:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, H.B. No. 2942, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Pine and Ward voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

H.B. No. 266, HD 2:

Representative Caldwell moved that H.B. No. 266, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"I'd like to ask for ruling on a potential conflict. At my law firm we do represent OHA on certain matters, but nothing related to this bill. Thank you," and the Chair ruled, "no conflict."

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:

"I rise in support. The purpose of this bill is to most effectively and responsibly meet the State's constitutional obligations to Native Hawaiians with regard to the benefits from the lands in the public trust referred to in Article XII, Sections 4 and 6, of the Hawaii Constitution (public trust lands). Among other things, this bill:

1. Conveys certain parcels of land in Kakaako Makai and Kalaeloa Makai on Oahu and on Hilo Banyan Drive on the Island of Hawaii, and pays \$13,189,860 to the Office of Hawaiian Affairs (OHA) for the period from November 7, 1978, to July 1, 2008, as a result of a re-examination of the State's constitutional obligation to native Hawaiians;
2. Establishes a method for determining for each fiscal biennium, beginning in fiscal biennium 2009-2011, the amount of income and proceeds that OHA is to receive from the public trust lands;
3. Finds that the amount of income and proceeds OHA is to receive from the public trust lands for fiscal year 2008-2009 is \$15,100,000 and mandating the disbursement of the sum to OHA;
4. Authorizes the Chairperson of OHA to appoint an additional member to the Hawaii Community Development Authority (HCDA); and
5. Exempts the Kakaako Makai lands conveyed to OHA from certain powers that HCDA has over those lands.

"Thank you."

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:

"Mr. Speaker, I'm rising in support with reservations on this bill relating to Hawaiian Affairs. I am glad to see that the Governor and OHA have come to an agreement to settle a long standing dispute over land and payments due from the State to OHA.

"However, I do have some reservations on this bill. I am worried that the State may be giving up important land that could be used for other things. The state has spent over \$200 million to improve the Kakaako and Kewalo Basin area. According to the settlement, I believe the price put on the property is too low. We should look at using other lands for the settlement because we have invested such a large sum of taxpayer dollars to improve this area and there are other lands that are considered more important to Native Hawaiians than the Kakaako lands."

The motion was put to vote by the Chair and carried, and H.B. No. 266, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS," passed Third Reading by a vote of 44 ayes to 2 noes, with Representatives Luke and Takamine voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:38 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 2540, HD 1
H.B. No. 2737, HD 1
H.B. No. 3259, HD 1
H.B. No. 2099, HD 1
H.B. No. 2942, HD 1
H.B. No. 266, HD 2

At 5:38 o'clock p.m., the Chair declared a recess, subject to the call of the Chair.

The House of Representatives reconvened at 5:52 o'clock p.m., with the Speaker presiding.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 876-08) recommending that H.B. No. 2350, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 2350, HD 2, pass Third Reading, seconded by Representative B. Oshiro.

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

"Mr. Speaker, I rise in opposition to this bill. Mr. Speaker the district that I represent is known for its boulders rolling down the hill, going through houses, sometimes injuring people and property as a regular occurrence. This bill would then excuse that occurrence and say that, 'Well it's your fault that you live underneath these natural conditions.'

"I believe this is a cop-out, it's unfair and it's dangerous the way that we're going to let what otherwise, if you're a big land owner and own the mountains you would think that the liability for those that are below would be something you would want to be cognizant of. But this bill says, 'Hey, free ride. Don't worry about it'.

"So I think this is bad policy, and I hope as this is First Crossover that as we crossover this thing over, it will be crossed out."

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

"Mr. Speaker, I am in strong opposition. Let me just say that first of all, can I have the words of the previous speaker adopted as if they were my own, minus the boulders crashing into the houses.

"Also let me note that for Maui Meadows, we just had the floods there and a big land owners have had boulders and mud and debris wipe several people's houses out. Under this bill, they would have no recourse. So I have to oppose this measure. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2350, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LANDOWNER LIABILITY FOR NATURAL CONDITIONS," passed Third Reading by a vote of 33 ayes to 13 noes, with Representatives Belatti, Berg, Ching, Finnegan, Marumoto, McKelvey, Morita, Pine, Saiki, Sonson, Thielen, Wakai and Ward voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:56 o'clock p.m., the Chair noted that H.B. No. 2350, HD 2, passed Third Reading.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1020-08) recommending that H.B. No. 2823, HD 2, pass Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 2823, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DAM SAFETY," passed Third Reading by a vote of 40 ayes to 6 noes, with Representatives Finnegan, McKelvey, Pine, Saiki, Sonson and Thielen voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:58 o'clock p.m., the Chair noted that H.B. No. 2823, HD 2, passed Third Reading.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1039-08) recommending that H.B. No. 3440, HD 1, as amended in HD 2, pass Third Reading.

Representative Caldwell moved that notwithstanding the recommendations contained in Standing Committee Report No. 1039-08, that H.B. No. 3440, HD 2, be recommitted to the Committee on Finance, seconded by Representative B. Oshiro.

[Note: Floor Amendment No. 2 was received and subsequently withdrawn before being offered.]

The motion was put to vote by the Chair and carried, and H.B. No. 3440, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISLAND OF NI'IIHAU," was recommitted to the Committee on Finance, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 1041-08) recommending that H.B. No. 466, HD 1, pass Third Reading.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 466, HD 1, pass Third Reading, seconded by Representative B. Oshiro.

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

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

Representative Pine asked that the remarks of Representative Sonson on Second Reading be entered in the Journal as her own. (By reference only.)

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 rise in opposition to House Bill 466.

"I am in strong opposition to this measure because it does not leave any room for a moral exemption. Because of its religious tenets, St. Francis Healthcare System does not provide abortion services, including "emergency contraception" which may induce early abortion. Although St. Francis no longer operates its two medical centers, the Sisters continue to maintain its religious tenets and therefore, including these tenets as a condition of the sale and lease of the land under the two medical centers. As part of the purchase agreement, Hawaii Medical Center has agreed to comply with the Ethical and Religious Directives for Catholic Health Care Services. I think this agreement should be observed because the people at the Hawaii Medical Center testified they would transport patients who wanted the "morning after" pill to other hospitals at the hospital's expense so they could receive the treatment. I think forcing a hospital to commit to a procedure they find "morally wrong" is not right, and then fining them is unconscionable.

"I do support requiring hospitals to provide education on all options available to a patient, but I do not support requiring hospitals to perform procedures that are against their religious beliefs."

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

Representative Ward's written remarks are as follows:

"Mr. Speaker, thank you for the opportunity to offer my opposition to House Bill 466, which would force all of Hawaii's hospitals, including Catholic hospitals against their religious beliefs to provide emergency contraception for sexual assault, to provide emergency contraception services.

"House Bill 466 would force all medical staff to offer information regarding emergency contraception and provide these procedures, even if a staff member opposes such practices on religious grounds. Undoubtedly, incidents of sexual assault are terrible events, in which perpetrators should be brought to justice and victims should receive very extensive physical and emotional care.

"However, those who are treating these victims should not be forced to violate their religious beliefs. For medical staff members or religious medical centers that oppose emergency contraceptive measures, this bill is tantamount to a denial of religious freedom; without a religious exemption, it violates the First Amendment of the Constitution, specifically the Free Exercise Clause. The fairest thing that can be done with this bill is to exempt the Hawaii Medical Center which is in an operational agreement with St. Francis Hospitals and holds strong religious beliefs as an institution and by its nuns who work at the hospital.

"Once again, I oppose this bill as is it written, without exemptions for those who oppose emergency contraceptive procedures on religious grounds.

"Thank you for this opportunity to offer my opposition to this measure."

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

"Mr. Speaker, I would like a ruling on a potential conflict. I'm a social worker that works in the emergency room. Thank you," and the Chair ruled, "no conflict."

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 HB466, HD1, which would require hospital emergency rooms to provide medically accurate information on emergency contraception to survivors of sexual assault and to offer emergency contraception (EC) if requested.

"Mr. Speaker, I believe this is not only a patients' rights issue, but also an issue of victims' rights.

"When a victim of a violent crime that results in physical injury is seeking medical attention, the system should do everything possible to respond, and do everything that is medically necessary. There should be no question about this.

"Why then are we having this debate? Has sexual violence against women become acceptable in our society? Does the sometimes negative treatment rape victims receive indicate the underlying assumption that perhaps the victim was at fault in some way?

"Sexual assault, or rape, is a crime that is violent, traumatic and the ultimate intimate violation, in which a woman loses all her sense of personal control, decision making and dignity. Physically and psychologically, she is ripped apart.

"So what are the responsibilities of healers to this victim? She must be informed about procedures being followed to ease her pain, provided information critical to decisions regarding her injuries, be informed of the risk of sexually transmitted disease, asked to provide evidence that she may have been given substances without her knowledge before the assault and given honest information about the risks of possible pregnancy. She should also be offered emergency contraception.

"No providers of any kind of care have the right to make decisions for her about health care treatment related to the rape – or to withhold information that would allow her to make an informed decision. No one has the right to refuse to provide emergency contraception.

"Some may confuse RU486 with emergency contraception. This is unfortunate. Emergency contraception is a safe, effective back up birth control method that can prevent pregnancy after unprotected intercourse. Emergency contraceptive pills contain high dosages of the same hormones found in daily birth control pills-estrogen and progestin. RU486 is a completely different drug. EC helps to prevent pregnancy while Mifeprex RU486 terminates pregnancy. The fact is – EC helps to reduce the need for abortion.

"Across the nation more than 212 Catholic non-profit hospitals dispense EC to rape victims. A for profit corporation seeking a religious exemption would not qualify under the standard set in Hawaii related to contraceptive services, and surely would not be exempt if seeking public funds.

"However, the public policy issue we face here today is that the victims of sexual assault deserve the fullest and best care available. The public policy we endorse in this bill is the assurance that all hospital emergency personnel are properly trained in handling the special needs of these victims. The public policy here is a patient's right to self-determination in the exercise of control over her own

body, and to determine whether or not to accept lawful medical treatment."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 466, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 39 ayes to 7 noes, with Representatives Ching, Finnegan, Manahan, Meyer, Pine, Sonson and Ward voting no, and with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 5:59 o'clock p.m., the Chair noted that H.B. No. 466, HD 1, passed Third Reading.

H.B. No. 1758, HD 1:

By unanimous consent, action was deferred one legislative day.

H.B. No. 3041, HD 1:

By unanimous consent, action was deferred one legislative day.

FINAL READING

H.B. No. 987, H.D. 1, S.D. 2:

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the House agreed to the amendments proposed by the Senate to H.B. No. 987, H.D. 1 and H.B. No. 987, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO POLICE OFFICERS," passed Final Reading by a vote of 46 ayes, with Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai being excused.

At 6:01 o'clock p.m., the Chair noted that H.B. No. 987, HD 1, SD 2, passed Final Reading.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 107 through 111) and concurrent resolutions (H.C.R. Nos. 125 through 129) were referred to Printing and further action was deferred:

H.R. No. 107, entitled: "HOUSE RESOLUTION REQUESTING THE AUDITOR TO EXAMINE UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS," was jointly offered by Representatives Brower, Awana, Cabanilla, Ching, Finnegan, Green, Hanohano, Ito, Karamatsu, Lee, Luke, Magaoay, Manahan, Marumoto, McKelvey, Meyer, Mizuno, Morita, Nishimoto, B. Oshiro, M. Oshiro, Pine, Sagum, Say, Shimabukuro, Takai, Thielen, Tsuji, Wakai, Ward, Yamane, Belatti, Berg, Bertram, Carroll, Chang, Chong, Evans, Har, Herkes, Nakasone, Rhoads, Saiki, Sonson, Souki, Takamine, Takumi, Tokioka, Waters and Yamashita.

H.R. No. 108, entitled: "HOUSE RESOLUTION URGING THE DEPARTMENT OF EDUCATION TO STUDY THE FEASIBILITY OF INTEGRATING REHABILITATION PROGRAMS FOR STUDENTS WITH ANGER PROBLEMS," was jointly offered by Representatives Takamine, Chang, Evans, Herkes and Tsuji.

H.R. No. 109, entitled: "HOUSE RESOLUTION REQUESTING THE GOVERNOR TO PROCLAIM JUNE 8TH OF EVERY YEAR AS WORLD OCEAN DAY," was offered by Representative Berg.

H.R. No. 110, entitled: "HOUSE RESOLUTION SUPPORTING FEDERAL FINANCIAL ASSISTANCE FOR PERSONS PRESENT IN THE UNITED STATES UNDER THE COMPACTS OF FREE ASSOCIATION," was jointly offered by Representatives Wakai, Brower, Manahan, McKelvey, Ward, Yamane, Yamashita and Chong.

H.R. No. 111, entitled: "HOUSE RESOLUTION REQUESTING TUBERCULOSIS SCREENING AND TREATMENT FOR RESIDENTS OF PUBLIC HOUSING AND EMERGENCY TRANSITIONAL SHELTER HOUSING," was jointly offered by Representatives Wakai, Brower, Manahan, McKelvey, Pine, Ward, Yamashita, Chong and Yamane.

H.C.R. No. 125, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO EXAMINE UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS," was jointly offered by Representatives Brower, Awana, Bertram, Cabanilla, Ching, Finnegan, Green, Hanohano, Ito, Karamatsu, Lee, Luke, Magaoay, Manahan, Marumoto, McKelvey, Meyer, Mizuno, Morita, Nishimoto, B. Oshiro, M. Oshiro, Sagum, Say, Shimabukuro, Takai, Thielen, Tsuji, Wakai, Ward, Yamane, Belatti, Berg, Carroll, Chang, Chong, Evans, Har, Herkes, Nakasone, Pine, Rhoads, Saiki, Sonson, Souki, Takamine, Takumi, Tokioka, Waters and Yamashita.

H.C.R. No. 126, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF EDUCATION TO STUDY THE FEASIBILITY OF INTEGRATING REHABILITATION PROGRAMS FOR STUDENTS WITH ANGER PROBLEMS," was jointly offered by Representatives Takamine, Chang, Evans, Herkes and Tsuji.

H.C.R. No. 127, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR TO PROCLAIM JUNE 8TH OF EVERY YEAR AS WORLD OCEAN DAY," was offered by Representative Berg.

H.C.R. No. 128, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING FEDERAL FINANCIAL ASSISTANCE FOR PERSONS PRESENT IN THE UNITED STATES UNDER THE COMPACTS OF FREE ASSOCIATION," was jointly offered by Representatives Wakai, Brower, Manahan, McKelvey, Ward, Yamane, Yamashita and Chong.

H.C.R. No. 129, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING TUBERCULOSIS SCREENING AND TREATMENT FOR RESIDENTS OF PUBLIC HOUSING AND EMERGENCY TRANSITIONAL SHELTER HOUSING," was jointly offered by Representatives Wakai, Brower, Manahan, McKelvey, Pine, Ward, Yamane, Yamashita and Chong.

ANNOUNCEMENTS

Representative Caldwell: "Mr. Speaker, on behalf of the Caucus I'd like to thank everyone for their cooperation in working with the Consent Calendar. I know it's still a work in progress, but I think we're getting better at it. I want to thank the Minority for cooperating with us, particularly the Minority Leader. Thank you."

Representative Meyer: "Thank you, Mr. Speaker. I'd like to on behalf of our Caucus, thank you for your hospitality and the wonderful lunch that you've provided. We appreciate it very much."

Representative Evans: "Mr. Speaker, thank you. Tomorrow is a recess day, but we have two big events in the State Capitol. We have the Historic Preservation Awareness Day, and we have the Hawaii Science and Technology Day here at the State Capitol. So there will

be a lot of exhibits, and a lot of opportunities to mingle and have a lot of fun. Thank you."

Representative Waters: "Thank you, Mr. Speaker. At the appropriate time, could we have a moment of silence for the death of tort reform?"

Speaker Say: "No, we will not."

ADJOURNMENT

At 6:03 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon, Thursday, March 6, 2008. (Representatives Magaoay, Nakasone, Nishimoto, Souki and Takai were excused.)