

THIRTY-FIFTH DAY

Friday, March 19, 2010

The House of Representatives of the Twenty-Fifth Legislature of the State of Hawaii, Regular Session of 2010, convened at 12:03 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Mr. Daniel Kent, legislative aide to Representative Takumi, after which the Roll was called showing all Members present with the exception of Representatives Chang, Manahan, McKelvey, M. Oshiro and Ward, who were excused.

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

SENATE COMMUNICATIONS

The following communication from the Senate (Sen. Com. No. 350) was received and announced by the Clerk:

Sen. Com. No. 350, transmitting H.C.R. No. 67, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO PASS LEGISLATION THAT PROMOTES JOBS AND INNOVATIVE ENERGY DEVELOPMENT, HEIGHTENS NATIONAL ENERGY AND ECONOMIC SECURITY, POSITIONS THE UNITED STATES TO BE AN INTERNATIONAL LEADER IN THE FIELD OF CLEAN ENERGY, AND ADDRESSES THE CONSEQUENCES OF CLIMATE CHANGE WITHOUT PREEMPTING STATES' RIGHTS TO CONTROL EMISSIONS AND TO PROMOTE RENEWABLE ENERGY," which was adopted by the Senate on March 18, 2010.

DEPARTMENTAL COMMUNICATIONS

The following departmental communication (Dept. Com. No. 63) was received by the Clerk and was placed on file:

Dept. Com. No. 63, dated March 18, 2010, from Marion M. Higa, State Auditor, transmitting a copy of the report, Financial Examination of the Department of Budget and Finance.

INTRODUCTIONS

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

Representative Luke introduced members of the Iolani Middle School Select Orchestra, winners of the 2010 National Orchestra Festival, along with their teachers, family and supporters.

Mrs. Katharine Hafner, Orchestra Director
Mrs. Joan Wehrman, Assistant Orchestra Director
Mr. Wayne DeMello, Head, Performing Arts Department, Iolani School

John Cole,
Emily Donkervoet,
Kyle Flores,
Lauren Goto and family,
Brielle Asato,
Eugene Au,
Kerrick Chinen,
John Cole,
Trent Dye,
Kyle Flores,
Claire Furukawa and family,
Ayami Hatanaka and family,
Chanelle Huang and family,
Brittney Imada and family,
Sophia Iwasaki and family,
Miranda Kam,

Kristen Kanekuni and family,
Zeke Kearns and family,
Eddy Li,
Jake Lui and family,
Jason Lum and family,
Andrew Ma and family,
Jake Matsuda-Hirata,
Matt Miyamoto,
Matt Murayama,
Madison Obata,
Kara Okazaki and family,
Alex Sasaki,
Brendan Seto,
Jason Seto,
Tara Sriragarajan and family,
Maya Stevens and family,
Kahler Suzuki,
Brianna Yee, and
Bradley Wo and family.

Supporters:
Aaron Wehrman and Bob Wehrman.

Representative Luke also introduced 2nd grade students at Iolani School, her son, Master Logan Luke, and the son of Senate Chief Clerk Carol Taniguchi, Master Noah Taniguchi.

Representative C. Lee introduced Miss Lindsey Grady, a student at Lanikai Elementary School and her friends, Miss Emme Weisenfeld and Miss Kai'io Cobeen. They were accompanied by her parents, Mr. T.J and Mrs. Christine Grady, and brother, Gavin Grady.

Speaker Say introduced Wisconsin State Senator Fred Risser and his wife, Mrs. Nancy Risser.

ORDER OF THE DAY

STANDING COMMITTEE REPORTS

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 831-10) recommending that S.B. No. 2807, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2807, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

Representative C. Lee's written remarks are as follows:

"Every time our economy slows, State government must cut back on services. Businesses, employees, and families that need support are left behind as the State slashes programs and services. This only hurts a weak economy, and the timing couldn't be worse. Only State government has the resources and capital to truly stimulate our weak economy. We must be sure that when times get tough, the State's response will help our economy, and not hurt it.

"In years of surplus, we should be setting money aside for the next recession. If we had emergency funding today, we could be helping businesses retain their employees, bolstering falling wages, supporting community health centers, stimulating construction, creating jobs, and driving our economy forward. While passing this bill will not help us this recession, it will decisively improve the next one."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2807, SD 2, HD 1, entitled: "A

BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 6, OF THE HAWAII CONSTITUTION, RELATING TO THE TAX REBATE REQUIREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 832-10) recommending that S.B. No. 2137, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2137, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CLUBS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 833-10) recommending that S.B. No. 2139, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2139, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Takumi and Rhoads, for the Committee on Education and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 834-10) recommending that S.B. No. 2120, SD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2120, SD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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:

"I rise in strong support of SB 2120. This bill requires the Department of Education to determine alternative routes to certification for school principals and vice-principals. It also repeals the Department of Education's authority to waive, on a case-by-case basis, certain teacher certification and school-level experience requirements for vice-principal candidates.

"In order to improve our educational system, we should recognize that management talent and experience are critical, particularly because of the State of our public school system. Schools should be well-managed, achievement-oriented environments where parents can be assured that their children are getting a quality education because of great teachers and a supportive administration that knows how to achieve results. Often, the DOE's current certification process denies excellent managers and leaders the ability to help turn around our schools. These managers often have a results-oriented track record of success, but are ineligible because they have not come up through the system as teachers.

"Quality leadership is quality leadership. The Department of Education can certainly benefit from the introduction of quality leadership."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 2120, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CERTIFICATION OF PRINCIPALS AND VICE-PRINCIPALS," passed Second Reading and

was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Takumi and Rhoads, for the Committee on Education and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 835-10) recommending that S.B. No. 2434, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2434, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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:

"I rise in opposition to SB 2434. This measure adjusts the salary caps of the Superintendent of Education and State Librarian beginning with the 2011-2012 school year.

"Mr. Speaker, when the rest of State and county workers are facing decreasing wages and benefits, it seems egregious that we would be considering the equivalent of a raise for these leaders. I agree that Hawaii must be competitive in terms of compensation to attract top talent. However, increasing this salary cap in the midst of the throes of one of the worst recessions Hawaii has experienced is not wise, nor is it fair.

"If given the real power, accountability, and support to reform our schools, I am sure that such an opportunity to reform an entire State educational system, regardless of compensation, would appeal to quality Superintendent candidates throughout the country."

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

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

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

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 Committees was adopted and S.B. No. 2434, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SALARIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Ching, Finnegan and Pine voting no, and with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Takumi, Chang and Rhoads, for the Committee on Education and the Committee on Higher Education and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 836-10) recommending that S.B. No. 2122, SD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2122, SD 1, entitled: "A BILL FOR AN ACT RELATING TO RESEARCH," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 837-10)

recommending that S.B. No. 2849, SD 2, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2849, SD 2, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2849, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 838-10) recommending that S.B. No. 2393, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2393, SD 2, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 839-10) recommending that S.B. No. 2754, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2754, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 840-10) recommending that S.B. No. 2759, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2759, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 841-10) recommending that S.B. No. 2758, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2758, entitled: "A BILL FOR AN ACT RELATING TO SAFETY INSPECTION OF MOTOR CARRIER VEHICLES," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 842-10) recommending that S.B. No. 2081, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2081, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, I have reservations on Stand. Com. Rep. No. 842 and accompanying bill. Basically this is a creation of another special fund and it will not be self-sustaining. We note that it will take 100 citations for littering to support one inspector.

"Also it appears to be flawed in that the special fund exists within the general fund, so if this bill is going to go on, it may need fixing. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2081, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 843-10) recommending that S.B. No. 2116, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2116, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, I am in favor of this measure. The Committee Report indicated that I voted with reservations. I don't recall that. I think this is an excellent bill, and a very necessary one for our schools. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2116, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INDEMNIFICATION OF COUNTY AGENCIES," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 844-10) recommending that S.B. No. 2150, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2150, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPELLATE JURISDICTION," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Mizuno and Rhoads, for the Committee on Human Services and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 845-10) recommending that S.B. No. 2341, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2341, SD 1, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"In support with reservations, and a few comments. I believe the intent of this bill is very good because it prohibits employers from discriminating against an employee or somebody applying for employment based on the person's domestic abuse victim status.

"On the surface that sounds very honorable, however there are a couple complications that may arise in this situation where a violent situation may potentially put other employees in harm's way. According to the final version or the way it's going to be written, it currently does not protect the employer from letting someone go so that they can protect other employees that may be harmed in the process of helping this domestic abuse victim. So hopefully in the final version, we can find a way that will allow some flexibility for serious situations."

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

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

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 2341, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT RELATIONS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 846-10) recommending that S.B. No. 2469, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2469, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMERGENCY AND BUDGET RESERVE FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 847-10) recommending that S.B. No. 2534, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2534, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BAIL," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 848-10) recommending that S.B. No. 2501, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2501, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"On Stand. Com. Rep. No. 848, I'd like to request a ruling on a potential conflict. I'm a CPA and my firm does peer reviews. 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 S.B. No. 2501, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 849-10)

recommending that S.B. No. 2566, HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2566, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL AND REHABILITATION BENEFITS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 850-10) recommending that S.B. No. 2601, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2601, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ATHLETIC TRAINERS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Herkes and Karamatsu, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 851-10) recommending that S.B. No. 2222, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2222, SD 1, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, rising in opposition. And just some brief comments. The Mililani Town Association and some of the other associations are a little bit concerned regarding the cost for the postage. They estimate that it could cost them upwards of \$100,000 for postage costs to do these mail outs required for the candidates. So I rise in opposition because of the fiscal impact to them. Thank you."

Representative M. Lee rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition as well. As the Representative from Mililani Town and Waipio Gentry just stated, there're some concerns about the cost of this to large community associations like Mililani Town and Princeville. There's quite a bit of difference. There are 16,000 households in Mililani, so this could really be an excessive cost to the association. Thank you, very much."

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

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

Representative Takai 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 Committees was adopted and S.B. No. 2222, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PLANNED COMMUNITY ASSOCIATIONS," was referred to the Committee on Finance, with Representatives M. Lee and Yamane voting no, and with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Herkes and Karamatsu, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 852-10) recommending that S.B. No. 2529,

SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2529, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTHCARE CLAIMS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Herkes and Karamatsu, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary presented a report (Stand. Com. Rep. No. 853-10) recommending that S.B. No. 2603, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2603, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 854-10) recommending that S.B. No. 2473, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2473, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 855-10) recommending that S.B. No. 2593, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2593, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 856-10) recommending that S.B. No. 2594, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2594, SD 1, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker. I want to cast a vote of support with very strong reservations on Stand. Com. Rep. No. 856. Basically what this bill does is it establishes a residency requirement for entire projects that do get certain GET exemptions based on a certain amount of affordable housing.

"And how this hurts the Ewa Plain is there's a housing project in my community that has actually some of the lowest rents on the whole island for single family homes. And because of Ewa's close proximity to Pearl Harbor, we do have a lot of military families that are staying in this housing project.

"They're staying in this housing project because there's a waiting list just to get into the military housing on base. There's still not enough military housing in the State of Hawaii and so it forces all those military families to move out of that housing project. It's been very helpful in terms of the traffic to keep these military people in this housing because they just take the 'grey boat' to go across Pearl Harbor and they don't get on the freeway and fight traffic with all the other people on the Leeward Coast.

"And so I'm very concerned about this measure. Hopefully we can tweak it a little bit so it doesn't affect my community."

Representative Ching 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 with reservations, stating:

"Thank you very much, Mr. Speaker. In support with reservations, and may I have the words of the Representative from the Ewa Plains area entered in the record as if they were my own. And I just hope that when the Finance Committee looks at this measure that they would perhaps entertain an exemption for the situation dealing with the military in that area."

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

"Thank you, Mr. Speaker. I rise in support with reservations. I ask that the word of the Representative from Ewa Beach be entered into the Journal as if they were my own.

"And I'd also like to add, and I'm not too sure if this is the case, but I'd like the next Committee to take a look at this. A few years ago, we had the opportunity, the entire nation had the opportunity to encourage private companies to obtain long-term leases in order for them to finance and build housing on military bases, or close to military bases. It was called PPV for privatized housing and it's worked very well. We've had Actus, and Hunt, and Forest City and a few other companies come to Hawaii to build these houses. Without the support of Congress, and without working through the State government, we would not have had this opportunity.

"Now the reason why I bring this up is because years ago, we had worked out an exemption for the general excise tax for these particular contractors and companies. I'm afraid that based on what I heard a few days ago, that this particular bill might jeopardize the GET exemption because as you know, these houses are constructed for military families so it's a little different angle than what the Representative from Ewa Beach brought up. And I do share her concerns as well.

"But if this impacts housing for example, on Ford Island or Schofield Barracks, or the Marine Corp Base in Kaneohe, basically what we're doing is we're removing that exemption. Now if that's the intent, then let's be forthright and let's talk about that. But I hope that that's not the intent.

"But please, if we could as we move through the process and take a look at that to make sure that we understand the implications on these companies that have helped to address not only the military housing crisis for military families, but in a sense help us address the rental housing market for the entire State of Hawaii. Thank you, Mr. Speaker."

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

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

"Thank you, Mr. Speaker. In support. Just to take a step back and take a look at the bill that came to the Committee on Housing, and what it does now. There are four parts to the section in which the bill deals with, in which a developer can receive a general excise tax exemption. There's four ways. Two of them deal with the federal type of projects.

"The bill came to the Committee originally only dealing with one of them. And this actually was only going to affect Hunt Corporation and

their development. Forest City and Actus Lend Lease was not included in the bill and we found that strange. If we are going to talk about general excise tax exemptions in the context of billions of dollars in shortfall and increasing taxes and fees, why not take a look at everything. Your Committee on Housing decided to move this forward in applying it to everyone fairly.

"Secondly, the intent is not to tax the military families, but it will tax the contractor, whether they be Hunt, Actus, or Forest City. They're the ones that receive the exemption. I don't think they pass on the exemption to the military families. If they pass it on to anybody, it's the federal government. And really, does the federal government need a tax exemption?"

"I think this is one of many bills which we're taking a look at to generate revenue. Again, this is not against military families, but against corporations who have the contract with the federal government who can print money. Thank you."

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

"In support, Mr. Speaker. Stand. Com. Rep. Nos. 855-10 through 857-10 are all related, Mr. Speaker. They have to do with the general excise tax. The first one is to review them, because the way it is now, when a company asks for an exemption, there's no review process. They could have been ineligible for three years. We don't know.

"So the first one, just so everybody knows, it simply asks the Department of Taxation to review these exemptions after three years to see if these exemptions are still valid, and to impose penalties for those who are taking an excise tax exemption which is no longer valid. And I think that in a time when we're looking for ways to fund State services, that we need to review these exemptions and make sure that we're giving it to people who deserve it.

"As for the residency requirement, we all know there are a lot of companies that come and do business in Hawaii that never pay taxes, and we never had the chance to really catch them and to look at whether they should be taxed.

"Now the last one Mr. Speaker, is to calculate the income of those people asking for this, and to impose a standard on them and determine where those exemptions are. So those were the means. There's a lot of talk about the military here, and I guess they're a part of it. I understand that Congress gave those exemptions to big developers to come and build military housing in years prior. These bills are just going forward. They're not going back.

"Former Congressman Neil Abercrombie came and testified before the Committee and said that these exemptions are just pass-throughs. They don't benefit the military. They just benefit the military contractors by about a 4.5% advantage over the local contractors. That's why they can afford to bid lower, because they have that 4.5% advantage. What's fair, is fair. So I'm in support because our local contractors need that same break, just like those contractors from the mainland. Thank you, Mr. Speaker."

Representative Pine rose to respond, stating:

"I want to vote no now. A couple of points. This does affect the military, and now this does affect our local people. This particular project that will be affected in my district is called, Puuloa. It's the Waterfront at Puuloa. It used to be called Iroquois Point and it used to be a military base. It was part of the BRAC closing and it was part of Congress's whole plan to change military bases and switch it over, and so the incentives that Congress gave were tax incentives, and it was agreed to with the State government to help out with the GET tax exemption.

"So this bill is changing the entire policy and plan of Congress, as well as the State of Hawaii. And that's fine if that's the intent of this Legislature.

"This is how this tax exemption helps the local people in my district. Because military families are able to move there, one, it helps the locals because they're helping to reduce traffic on the Leeward Coast because

they're using the waterways to get to their work, as well as a lot of the civilian and DOD workers who are using the waterways by staying in this development. That's one way that's helping the local people.

"By getting this tax exemption and that includes some of the military families. Actually 40% are military that live in this development, and 60% are local people. By getting this tax exemption, do you know you can get a three bedroom, single family home with a yard for only \$1,400 because of this tax exemption? That is helping 60% of the low income local people that are living there.

"So go ahead and take this tax exemption away. I guarantee you they're not going to be able to afford renting to the local people for \$1,400 a month. That's just not going to balance out in their books. They're going to do what everyone else is doing. They're going to raise the rent because they can, and that's how it's going to affect local people."

Representative Takai rose to respond, stating:

"Thank you, Mr. Speaker. This is my second time. I will keep my vote with reservations for now. Here's my concern. We have, as you know Mr. Speaker, I've been working on military housing and we've been working with the federal government through Impact Aid Table 9 Program, so I'm well aware of the projects that are occurring on base. And I do believe there's a difference between a base project and an off-base projects.

"For example, and the Housing Chair brought it up. I don't want to, and I don't think we should be supporting a mainland company against a local company for off-base housing. If we have a housing project going into Ford Island, and what this bill says is that you must have local people living in that housing in order to get the tax exemption. We cannot put local people on military bases. That's not the intent of the military housing projects program. It's to put military families into these houses so that they can get off of the rolls of the off-base housing which would provide for low-cost rentals for our local people.

"I think we need to go back to the intent that we set about a decade ago in this PPV program, because if in fact we're affecting these on-base contracts and I believe these are 50 to 99 year term leases, then I think we have an obligation to fulfill our promises that we made in the past. I have no problems with making sure that we level the playing field between the local companies and the mainland companies for projects off-base, but I think we have to, and we owe it to ourselves to take a look at the impacts happening on our bases. Thank you."

Representative Cabanilla rose to respond, stating:

"Just short comments in rebuttal. Yes, we do like to honor contracts that may have been written a hundred years ago, but right now we cannot take care of our *kupuna*. We cannot take care of our children who are affected by furloughs. We are laying people off, and this repeal of the general excise tax exemption will be one solution to keep our government working, because unlike the federal government we cannot, I repeat, we cannot print money. I am for it. I believe that imposing a general excise tax on this income bracket is what we need. And we need to look at ourselves, and we need to take care of our own people, Mr. Speaker."

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

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

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

Representative McKelvey rose, stating:

"Thank you. I would just like the words of the speakers from the Ewa Beach and also Newtown, their second time, to entered in the record as if they were my own," and the Chair "so ordered." (By reference only.)

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2594, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance, with Representative Pine voting no, and with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 857-10) recommending that S.B. No. 2595, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2595, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 858-10) recommending that S.B. No. 2324, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2324, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Finnegan 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."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2324, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO UNEMPLOYMENT INSURANCE BENEFITS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 859-10) recommending that S.B. No. 2597, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2597, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EMPLOYERS' MUTUAL INSURANCE COMPANY," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Cabanilla and Ito, for the Committee on Housing and the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 860-10) recommending that S.B. No. 2110, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2110, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Tokioka, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 861-10) recommending that S.B. No. 2533, SD 1, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2533, SD 1, be referred to the Committee on Finance, seconded by Representative Evans.

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2533, SD 1, entitled: "A BILL FOR AN ACT RELATING TO AN AUDIT OF CONTRACTS OF THE DEPARTMENT OF PUBLIC SAFETY WITH THE CORRECTIONS CORPORATION OF AMERICA AND THE FEDERAL DETENTION CENTER," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 862-10) recommending that S.B. No. 2545, SD 2, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2545, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 863-10) recommending that S.B. No. 2323, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2323, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives McKelvey and Herkes, for the Committee on Economic Revitalization, Business, & Military Affairs and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 864-10) recommending that S.B. No. 506, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 506, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives McKelvey and Herkes, for the Committee on Economic Revitalization, Business, & Military Affairs and the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 865-10) recommending that S.B. No. 2543, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2543, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives McKelvey and Rhoads, for the Committee on Economic Revitalization, Business, & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 866-10) recommending that S.B. No. 2840, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2840, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PROCUREMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 867-10) recommending that S.B. No. 2287, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2287, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTY ZONING FOR GROUP LIVING FACILITIES," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Mizuno and Yamane, for the Committee on Human Services and the Committee on Health presented a report (Stand. Com. Rep. No. 868-10) recommending that S.B. No. 2650, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2650, SD 2, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

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

"Thank you, Mr. Speaker. I rise in strong support."

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

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

"Thank you, Mr. Speaker. In support of Stand. Com. Report 868-10. Thank you. I just wanted to point out the importance of this measure. Two important reasons to pass Senate Bill 2650, Senate Draft 2, House Draft 1. There is an urgency to pass this measure to allow essential services and human services for over 300,000 of Hawaii's most needy residents.

"Second, this bill represents a fundamental principal that is accepted by our State, that we provide and protect our most needy, that we provide essential services. In fact, I agree with the Director of Human Services. There was an article yesterday in the *Advertiser* which says that the Director, Dr. Koller, says that the State could lose federal money if services are reduced. She's talking about those services to our most needy.

"I agree with the Director. We cannot cut these services, so I'm a little perplexed that the Director wants to go through with this EPOD plan to eliminate 232 essential workers which will affect, substantially affect, over 300,000 people in the State of Hawaii.

"In fact, I'm so concerned, and it's not only me Mr. Speaker. Her own workers have provided a petition. I've never seen this in government. I have a petition here from her workers and a number of recipients. There are 6,300 who signed a petition indicating that they have no confidence in the Director of Human Services. For those reasons Mr. Speaker, we need to pass this measure. We need to protect those essential employees and protect services to over 300,000 needy residents in the State of Hawaii. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I have reservations. I'm going to save most of my comments, in case this bill does make it through Finance. We have to realize what the budget has done in combination with what we're talking about with services, and contrast that with what the Chair of the Human Services Committee has just stated. The people that we employ in the Department of Human Services are those who administer programs. Those are administrative positions, eligibility and so forth. The actual services come from the actual purchase of service agreements that you have with community providers that do the actual direct services.

"So when you're talking about providing direct services, that is talking about all the different cuts that we made in the Department of Human Services budget having to do with purchase of services contract. So at this point in time, you know this is a long conversation, and I will continue it if it does get to Third Reading. Thank you."

Representative Mizuno rose to respond, stating:

"Thank you, Mr. Speaker, I'd like to rebut the previous speaker and some of her accounts. Thank you. I want to talk about rhetoric versus reality. I respect the prior speaker's statement. I want to talk about something the Director is seeking to do. She is seeking to close all 31 statewide eligibility offices. That represents 50 units, 50 public assistance units, statewide.

"Again, if Members can visualize every single office in the State. Every single office, public assistance office on all islands: Maui, Kauai, Molokai, all your islands. Offices will be closed. Again, rhetoric versus reality. We can talk about private contracts, but the reality is all offices will be closed under this EPOD proposal, and two call centers will be opened, one in Hilo and one on Oahu. Call centers. Every single office closed. That's what this plan proposes.

"Second, rhetoric versus reality. The rhetoric is that fraud's not going to go up, that this plan is a good plan. That's the rhetoric. The reality is that fraud will go up sky high, and the reason I know this Mr. Speaker, is because your top person in the Department of Human Services, Eric Weinberg who is a chief investigator for Department of Human Services, Director Koller's top person in fraud investigation said this is a horrible plan. A horrible plan. Fraud will go up."

Representative Pine rose to a point of order, stating:

"Point of order, Mr. Speaker. I believe the wonderful speaker has veered way off the subject of the bill."

The Chair addressed Representative Mizuno, stating:

"The Chair's ruling is that Chair Mizuno may proceed. Please proceed."

Representative Mizuno continued, stating:

"Thank you. This relates directly to this bill because you want to stop welfare fraud. That's exactly what the top investigator under DHS said. That's why this EPOD program is not good and this bill seeks to stop it.

"Third, the reason why we're going over rhetoric versus reality is this. Your top administrator in the Food Stamp Program, Linda Tsark under the Department of Human Services, said this plan was not good. Your top administrator argued that the Director did not make a wise choice by

bringing about this EPOD plan. Again, you have your top administrators under this Director going against the Director. It's a huge statement.

"I look forward to working with the Director on seeking more ways we can be more efficient, but this plan is not right. This bill aims to stop that. Thank you, Mr. Speaker."

Representative Finnegan rose to respond, stating:

"Thank you, Mr. Speaker. When the Chair gets really passionate about this, I can really get passionate about this as well. But I'm going to try and keep my comments to a minimum because I know that this could go on for a very long time.

"Reality and rhetoric. The bottom line is if you can improve services in which there are states that have proven that they can improve services for our clients, as well as streamline and be more efficient with the taxpayer dollar, what should we do as legislators, and as people who run this State and who are about to increase taxes on the people out there? Our public taxpayers are going to be taxed higher from what this Legislative Session looks like. It looks like it's going to be going in that direction. And so if we can, we should provide better services.

"He talks about the issue of bringing it down to telephone type applications. As I explained during the last Third Reading on a bill that pertained to this issue, telephone applications with human people, this is the hybrid of the different plans. Human people will actually bring it so that each person who applies for this kind of assistance, it makes it easier for them. And they still have options to go face-to-face and take these applications. You can do face-to-face, web, or telephone applications. They're proving it. It states it right in these programs that other people are doing. When they did the research, it states that the fraud and all of these other issues are common myths.

"What this is about is people who embraced telephone applications during a time when applications were plentiful and they said, 'Okay. Maybe we can make it easier. Let's do telephone applications,' and they started implementing this last year in November. Nobody complained then. Now when DHS wants to fully utilize the program and maybe shut down some of these offices so you don't have to have full-fledged offices. You can do community partnerships, and you can do other things to still have that ability to do face-to-face interviews.

"It's about change, Mr. Speaker. It's about doing things better, Mr. Speaker. It's about being able to live within our means. Of course we're going to have people within DHS, EPOD or eligibility being upset about this move because they possibly could lose their job. Wouldn't you sign a petition if you thought you were going to lose your job? That's the issue. Yes, this is a very difficult decision to make, but we cannot continue to be going down this road, doing the status quo, continuing to operate when we know there are better ways to operate.

"Mr. Speaker, we can dig our heels in and say, 'No. Let's not get rid of any positions.' But you know, this budget actually agrees with some of the layoffs that we've done. It doesn't put back all the funding in for every single laid-off position that there was. Why? Because we can't afford it. Mr. Speaker, we have to put our feet down and make difficult decisions, just like that guy who did the invocation the morning. And if we have different opinions on how to do it, so be it. Thank you."

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

"Thank you, Mr. Speaker. In strong support. But I'd like to just make a brief rebuttal. It'll be very brief. I want to support the efforts of the task force, the creation of a task force in this bill. Before the Human Services Committee, we heard not just testimony of DHS workers, but we heard testimony of people of the Big Island, prosecutors who are initiating fraud cases. One of the big thoughts that was raised with this EPOD reorganization is the potential for fraud. So while there are disagreements, I think we need to slow this process down a little bit, and have all the stakeholders come to the table so that when we do the change that we must do, that we do it right and not in the waning months of an outgoing Administration. Thank you, Mr. Speaker."

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

"Mr. Speaker, I wish to speak on SB No. 2650. Thank you, very much. First of all, I want to speak in favor of this measure and I would want to incorporate the remarks of the Representative from Kalihi Valley as my own.

"Mr. Speaker, for many years I was the Director of an anti-poverty program. And I personally started as the director of the operation of a grassroots project. We started with community organizations throughout the community and worked with the poor people. Mr. Speaker, many of the poor people have difficulty in working with the institutions that provide services. Many of them lack the education. They lack skills, so they need assistance from case workers, and assistance from outreach workers which we would provided through the former Department of Social Services. And even then, we had some complaints against DSSH saying they weren't providing enough.

"But the essence of this, and what I'm trying to say is for all the human services and contracts that we have right now on Maui, we would not have any offices at all. Or on Molokai, or Lanai, especially in the rural areas, they will have a very difficult time in trying to adapt without any assistance at all. In fact, the State called upon MEO to provide the help to get those who cannot communicate too well, and teach them how to work through the Internet. Many of them don't have computers, so I don't know how they're going to enroll in a program. If you're from Molokai, Lanai, or from Halawa, forget it.

"So Mr. Speaker, I know we don't have enough money and I accept some of the comments made by the Minority Leader that we are in a dire situation. But we must remember the role of the Legislature for the most part, is to take care of those that cannot take care of themselves. That's our role, to provide for a 'safety net' for those that cannot take care of themselves. For those who can take care of themselves, let them go on. But for the poor, we have a vested responsibility. Thank you."

The Chair then stated:

"Members, we've had a lot of discussion. This particular measure will be going to the Finance Committee, and at that Committee hearing the members of the Finance Committee and those who are interested may attend that hearing.

"So please with your indulgence, our Neighbor Island colleagues have their flight to catch since this is Friday. So can we proceed on? And let's have most of your comments on Second Reading be inserted in the Journal. With your indulgence, Members. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 2650, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HUMAN SERVICES," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Ito, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 869-10) recommending that S.B. No. 2942, SD 2, HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2942, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Ito, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 870-10) recommending that S.B. No. 2409, HD 1, as amended in HD 2, be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2409, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MARINE LIFE CONSERVATION DISTRICTS," was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 871-10) recommending that S.B. No. 2491, SD 2, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2491, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELEMEDICINE," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 872-10) recommending that S.B. No. 2811, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2811, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACIES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 873-10) recommending that S.B. No. 2745, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2745, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Yamane and Mizuno, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 874-10) recommending that S.B. No. 2270, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2270, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID REIMBURSEMENTS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Yamane and Mizuno, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 875-10) recommending that S.B. No. 2286, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2286, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LONG TERM CARE," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Yamane and Mizuno, for the Committee on Health and the Committee on Human Services presented a report (Stand. Com. Rep. No. 876-10) recommending that S.B. No. 2810, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and S.B. No. 2810, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 877-10) recommending that S.B. No. 2488, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2488, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Hanohano, for the Committee on Public Safety presented a report (Stand. Com. Rep. No. 878-10) recommending that S.B. No. 2919, SD 1, HD 1, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2919, SD 1, HD 1, be referred to the Committee on Finance, seconded by Representative Evans.

Representative Rhoads rose and asked that the Clerk record a no vote for him, 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 Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2919, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE HOSPITAL," was referred to the Committee on Finance, with Representative Rhoads voting no, and with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Hanohano, for the Committee on Public Safety presented a report (Stand. Com. Rep. No. 879-10) recommending that S.B. No. 358, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 358, SD 1, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

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

"Mr. Speaker, I rise in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 358, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Second Reading and was referred to the Committee on Judiciary, with

Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 880-10) recommending that S.B. No. 2494, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2494, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

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 S.B. No. 2494, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 881-10) recommending that S.B. No. 2599, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2599, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 882-10) recommending that S.B. No. 2600, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2600, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTHCARE," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 883-10) recommending that S.B. No. 2859, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2859, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE INDUSTRY LICENSING ACT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 884-10) recommending that S.B. No. 2524, SD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2524, SD 1, entitled: "A BILL FOR AN ACT RELATING TO ISLAND BURIAL COUNCILS," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 885-10) recommending that S.B. No. 2068, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2068, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 886-10) recommending that S.B. No. 2452, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2452, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION OF SCHOOL CHILDREN," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 887-10) recommending that S.B. No. 2589, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2589, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Cabanilla, for the Committee on Housing presented a report (Stand. Com. Rep. No. 888-10) recommending that S.B. No. 2164, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2164, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Ito, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 889-10) recommending that S.B. No. 2169, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2169, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SHARK FINS," was referred to the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives Ito and Tsuji, for the Committee on Water, Land, & Ocean Resources and the Committee on Agriculture presented a report (Stand. Com. Rep. No. 890-10) recommending that S.B. No. 2951, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2951, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the

Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 891-10) recommending that S.B. No. 2903, SD 2, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2903, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN LANGUAGE COLLEGE," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 892-10) recommending that S.B. No. 2523, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2523, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL INSPECTIONS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Tsuji, for the Committee on Agriculture presented a report (Stand. Com. Rep. No. 893-10) recommending that S.B. No. 2527, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2527, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 894-10) recommending that S.B. No. 2144, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2144, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 895-10) recommending that S.B. No. 2291, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2291, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 896-10) recommending that S.B. No. 2548, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2548, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION TECHNOLOGY," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative McKelvey, for the Committee on Economic Revitalization, Business, & Military Affairs presented a report (Stand. Com. Rep. No. 897-10) recommending that S.B. No. 2775, SD 1, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2775, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLICITY RIGHTS NAMES AS DISTINGUISHED FROM TRADE NAMES AND SPECIFYING REGISTRATION PROCEDURES FOR PUBLICITY RIGHTS NAMES BY AMENDING CHAPTER 482P," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representatives McKelvey and Manahan, for the Committee on Economic Revitalization, Business, & Military Affairs and the Committee on Tourism, Culture, & International Affairs presented a report (Stand. Com. Rep. No. 898-10) recommending that S.B. No. 2646, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

Representative B. Oshiro moved that the report of the Committees be adopted, and that S.B. No. 2646, SD 1, HD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources, seconded by Representative Evans.

Representative Pine rose in support of 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 support for Senate Bill 2646, SD1, HD1, Relating to Hawaii Surfing Reserves. This bill would establish surfing reserves within the State, one in Waikiki, one on the North Shore and one on Maui. The designation of surfing reserves would establish formal recognition of quality surfing sites within the State. Hawaii is the birthplace of surfing, and this bill will further recognize and promote one of Hawaii's contributions to the world.

"I do want to ensure that the bill will retain the original intent to create memorials of just two world-renowned, premiere surf spots in Hawaii, the North Shore and Waikiki. Although there are several famous surf spots throughout the State, the intent of the bill is to preserve the historical heritage of these two surf locations. The bill should also not mandate any ocean activity restrictions.

"I strongly support the original intent of this bill to preserve the surfing heritage of Senate Bill 2646."

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

"Thank you, Mr. Speaker. I am in strong support."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 2646, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII SURFING RESERVES," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 899-10) recommending that S.B. No. 2378, SD 2, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2378, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 900-10) recommending that S.B. No. 2752, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2752, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 901-10) recommending that S.B. No. 930, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 930, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTEER MEDICAL ASSISTANCE SERVICES," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 902-10) recommending that S.B. No. 950, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 950, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. May I have a ruling on a potential conflict on Stand. Com. Rep. No. 902. My law firm is currently engaged in a lawsuit regarding tasers and its excessive use of force in the County of Maui. 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 S.B. No. 950, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC GUNS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 903-10) recommending that S.B. No. 2818, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

Representative B. Oshiro moved that the report of the Committee be adopted, and that S.B. No. 2818, SD 2, HD 2, be referred to the Committee on Finance, seconded by Representative Evans.

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 2818, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," was referred to the Committee on Finance, with Representative Marumoto voting no, and with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 904-10) recommending that S.B. No. 2863, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2863, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TAX LIEN AND ENCUMBRANCE RECORD," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Ito, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 905-10) recommending that S.B. No. 2828, SD 1, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2828, SD 1, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 906-10) recommending that S.B. No. 2716, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2716, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE ACT," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Karamatsu, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 907-10) recommending that S.B. No. 2897, SD 2, HD 1, as amended in HD 2, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and S.B. No. 2897, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 908-10), recommending that H.R. No. 59, as amended in HD 1, be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.R. No. 59, HD 1, entitled: "HOUSE RESOLUTION REQUESTING STATE DEPARTMENTS TO USE TRADITIONAL HAWAIIAN NAMES WHEN IDENTIFYING FISHPONDS," was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Carroll, Chang,

Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 909-10), recommending that H.C.R. No. 109, as amended in HD 1, be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.C.R. No. 109, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING STATE DEPARTMENTS TO USE TRADITIONAL HAWAIIAN NAMES WHEN IDENTIFYING FISHPONDS," was referred to the Committee on Water, Land, & Ocean Resources, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 910-10), recommending that H.R. No. 56, be referred to the Committee on Tourism, Culture, & International Affairs.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.R. No. 56, entitled: "HOUSE RESOLUTION SUPPORTING THE NATIVE HAWAIIAN HOSPITALITY ASSOCIATION AND ITS OLA HAWAI'I PROGRAM AS DYNAMIC CONTRIBUTORS TO THE BETTERMENT OF THE CONDITIONS AND RELATIONSHIPS BETWEEN NATIVE HAWAIIANS AND THE VISITOR INDUSTRY OF HAWAI'I," was referred to the Committee on Tourism, Culture, & International Affairs, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 911-10), recommending that H.C.R. No. 105, be referred to the Committee on Tourism, Culture, & International Affairs.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.C.R. No. 105, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE NATIVE HAWAIIAN HOSPITALITY ASSOCIATION AND ITS OLA HAWAI'I PROGRAM AS DYNAMIC CONTRIBUTORS TO THE BETTERMENT OF THE CONDITIONS AND RELATIONSHIPS BETWEEN NATIVE HAWAIIANS AND THE VISITOR INDUSTRY OF HAWAI'I," was referred to the Committee on Tourism, Culture, & International Affairs, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 912-10), recommending that H.C.R. No. 106, be referred jointly to the Committee on Higher Education and the Committee on Education.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.C.R. No. 106, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE STATE OF HAWAII AND HAWAII'S CONGRESSIONAL DELEGATION TO SUPPORT THE EMERGING TRADITIONAL KNOWLEDGE SUPPLEMENT TO THE OCEAN LITERACY PRINCIPLES," was referred jointly to the Committee on Higher Education and the Committee on Education, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Carroll, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 913-10), recommending that H.C.R. No. 9, as amended in HD 1, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.C.R.

No. 9, HD 1, entitled: "HOUSE CONCURRENT RESOLUTION SUPPORTING THE EFFORTS OF THE COMMUNITY GROUP PLANNING THE CREATION OF A MONUMENT TO HONOR QUEEN KA'AHUMANU IN OR NEAR HANA, MAUI," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 914-10), recommending that H.R. No. 127, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.R. No. 127, entitled: "HOUSE RESOLUTION REQUESTING THE ESTABLISHMENT OF A JOINT GOVERNMENT AND PRIVATE SECTOR HUMAN RESOURCES TASK FORCE TO STUDY THE SIMPLIFICATION OF JOB CLASSIFICATIONS WITHIN STATE GOVERNMENT AND THE STREAMLINING OF OPERATIONS BETWEEN THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT AND LINE DEPARTMENTS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 915-10), recommending that H.C.R. No. 194, be referred to the Committee on Finance.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.C.R. No. 194, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A JOINT GOVERNMENT AND PRIVATE SECTOR HUMAN RESOURCES TASK FORCE TO STUDY THE SIMPLIFICATION OF JOB CLASSIFICATIONS WITHIN STATE GOVERNMENT AND THE STREAMLINING OF OPERATIONS BETWEEN THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT AND LINE DEPARTMENTS," was referred to the Committee on Finance, with Representatives Carroll, Chang, Har, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

DISPOSITION OF MATTERS PLACED ON THE CLERK'S DESK

Representative B. Oshiro moved to agree to the amendments made by the Senate to the following House Concurrent Resolution, seconded by Representative Evans and carried: (Representatives Carroll, Chang, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward were excused.)

H.C.R. No. 18, (SD 1)

FINAL ADOPTION

The following House Concurrent Resolution was taken from the Clerk's desk and the following action taken:

H.C.R. No. 18, SD 1:

Representative B. Oshiro moved that H.C.R. No. 18, SD 1, be Adopted, seconded by Representative Evans.

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

"Thank you. I rise in support of this resolution. Thank you, Mr. Speaker. I just wanted to mention one thing. The University has made great strides in its efforts to put together a new building for the Cancer Research Center, and it was because of us urging the University, as part of the deal to build the UH Medical School, that they come forward and do this.

"So I'm so glad to be standing here today supporting their efforts to continue in their obligation that they promised in the year 2001. Thank you, Mr. Speaker."

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, may I have a ruling on a potential conflict? At my law firm, we are representing a party that is disputing the construction of the Center. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and H.C.R. No. 18, SD 1, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING SUPPORT FOR THE CANCER RESEARCH CENTER OF HAWAII," was Adopted, with Representatives Carroll, Chang, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward being excused.

ADJOURNMENT

At 1:03 o'clock p.m. on motion by Representative Evans, seconded by Representative Pine and carried, the House of Representatives adjourned until 12:00 o'clock noon Monday, March 22, 2010. (Representatives Carroll, Chang, Manahan, Morita, M. Oshiro, Sagum, Tokioka and Ward were excused.)

HOUSE COMMUNICATIONS

House Communication dated March 19, 2010, from Patricia Mau-Shimizu, Chief Clerk of the House of Representatives, to the Honorable President and Members of the Senate, informing the Senate that the House has agreed to the amendments made by the Senate and has this day adopted the following House Concurrent Resolution:

H.C.R. No. 18, SD 1