

FIFTEENTH DAY

Thursday, February 10, 2011

The House of Representatives of the Twenty-Sixth Legislature of the State of Hawaii, Regular Session of 2011, convened at 12:09 o'clock p.m., with the Speaker presiding, after which the Roll was called showing all Members present.

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

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 125 and 126) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 125, dated January 25, 2011, transmitting a letter pursuant to Section 109 of Act 162, SLH 2009, as amended by Act 180, SLH 2010, informing the Legislature that the Governor has approved the expenditure by the Department of Accounting and General Services of \$8,165,000 in private contributions from SMG Hawaii to finance the design and construction of repairs and improvements for the Hawaii Convention Center.

Gov. Msg. No. 126, dated February 8, 2011, transmitting the Report on Recommendations on the Housing, Funding, and Proposed Legislation to Implement Act 200, SLH 2010, prepared by the Department of Accounting and General Services pursuant to Act 200, SLH 2010.

INTRODUCTIONS

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

Representative Souki introduced members of the Hawaii Community Action Partnership, and thanked them for their many years of advocacy and dedication to community-based programs in the fight against poverty.

Kauai Economic Opportunity: Executive Director, Ms. MaBel Fujiuchi; Board President, Ms. Brenda Viado; and Board Members, Ms. Evelyn Olores and Mr. Paul Matsunaga.

Maui Economic Opportunity: Board President, Mr. Scott Sakakihara; and CEO, Ms. Lyn McNeff.

Honolulu Community Action Program: Executive Director, Mr. Robert Piper; and Board Member, Mr. Terrence Aratani.

Hawaii County Economic Opportunity Council: Executive Director, Mr. Lester Seto; and Board Member, Ms. Liz Salfen.

Representative Coffman introduced retired teacher, Ms. Sally Waitt.

Representative Manahan introduced members of the Department of Labor and Industrial Relations, Office of Community Services:

Ms. Mila Kaahanui, Executive Director;
Ms. Lola Salimova, State Refugee Coordinator;
Ms. Sonya Seng, State Weatherization Administrator; and
Mr. En Young, Program Specialist.

Representative Tokioka, on behalf of the Kauai delegation, introduced Ms. Stephanie Fernandez and Ms. Lynn Kua of Kauai Economic Opportunity.

Representative Tokioka also introduced Kauai County Council Member, Mr. Derek Kawakami.

At 12:16 o'clock p.m. the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:33 o'clock p.m.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 161) recommending that H.B. No. 1099, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that notwithstanding the recommendations contained in Standing Committee Report No. 161, that H.B. No. 1099, HD 1, be recommitted to the Committee on Economic Revitalization & Business, seconded by Representative Evans.

The motion was put to vote by the Chair and carried, and H.B. No. 1099, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COSTS OF RELOCATION AND UNDERGROUNDING OF UTILITY FACILITIES," was recommitted to the Committee on Economic Revitalization & Business, with Representatives Hashem, Herkes, M. Lee, McKelvey, Mizuno, Souki, Takumi, Yamane and Yamashita being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 162) recommending that H.B. No. 1179, 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 H.B. No. 1179, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTMENTS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 163) recommending that H.B. No. 885, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 885, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

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

"Yes, I wanted to note my reservations on this measure. What this does is it makes the contractor licensing process a public hearing. Mr. Speaker, there are 40 other boards that do licensing and I personally believe that it's just unfair to single out one type of business, in this case those wanting to become contractors. If we're going to make one a public hearing, we should make them all and treat them equally.

"Also there's some privacy issue problems relating to this as well, and so I'm concerned about that."

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

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

"Potential conflict, Mr. Speaker. I have contractors in the family," and the Chair ruled, "no conflict."

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

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

"Mr. Speaker, may I please get a ruling on a potential conflict. In my private sector life, I represent contractors," and the Chair ruled, "no conflict."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 885, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 164) recommending that H.B. No. 367, 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 H.B. No. 367, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS," passed Second Reading and was referred to the Committee on Finance.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 165) recommending that H.B. No. 96, 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 H.B. No. 96, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was referred to the Committee on Judiciary.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 166) recommending that H.B. No. 374, 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 H.B. No. 374, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS," passed Second Reading and was referred to the Committee on Finance.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 167) recommending that H.B. No. 678, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 678, HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

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

"Yes, Mr. Speaker. I have reservations on this measure. There's an estimated cost to the University of Hawaii. I believe that it's over \$12 million. I don't think that's a good way to spend the money. Thank you."

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

"Mr. Speaker, I have reservations and comments. I think what Representative Thielen was referring to is that if the statute had existed when the release of private information happened in the past, it would have cost UH \$12 million to provide that credit report. So I will be voting with reservations."

The Chair addressed Representative Fontaine, stating:

"Representative Fontaine, when you make a reference to another Member, you're not supposed to mention their name, but refer to them as, 'the Representative from Kailua,' for example."

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

"Or, 'the Ranking Republican Member on said Committee.' Mr. Speaker, with reservations. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 678, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representatives McKelvey and Tsuji, for the Committee on Economic Revitalization & Business and the Committee on Agriculture presented a report (Stand. Com. Rep. No. 168) recommending that H.B. No. 378, as amended in HD 1, pass Second Reading and be referred to the Committee on Hawaiian Affairs.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 378, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LANDSCAPING OF PUBLIC FACILITIES," passed Second Reading and was referred to the Committee on Hawaiian Affairs.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 169) recommending that H.B. No. 1512, 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 H.B. No. 1512, entitled: "A BILL FOR AN ACT RELATING TO THE WEED AND SEED STRATEGY," passed Second Reading and was referred to the Committee on Judiciary.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 170) recommending that H.B. No. 1513, 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 H.B. No. 1513, entitled: "A BILL FOR AN ACT RELATING TO THE WEED AND SEED STRATEGY," passed Second Reading and was referred to the Committee on Judiciary.

Representatives Rhoads and McKelvey, for the Committee on Labor & Public Employment and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 171) recommending that H.B. No. 527, 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 H.B. No. 527, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Second Reading and was referred to the Committee on Finance.

Representatives Souki and McKelvey, for the Committee on Transportation and the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 172) recommending that H.B. No. 123, 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 H.B. No. 123, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTRA-STATE AVIATION," passed Second Reading and was referred to the Committee on Finance.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 173) recommending that H.B. No. 1094, 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 H.B. No. 1094, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," passed Second Reading and was referred to the Committee on Judiciary.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 174) recommending that H.B. No. 1473, as amended in HD 1, pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1473, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAYS," passed Second Reading and was referred to the Committee on Energy & Environmental Protection.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 175) recommending that H.B. No. 320, 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 H.B. No. 320, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BROKER PRICE OPINIONS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 176) recommending that H.B. No. 878, 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 H.B. No. 878, entitled: "A BILL FOR AN ACT RELATING TO NONPROFIT CORPORATIONS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 177) recommending that H.B. No. 1043, 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 H.B. No. 1043, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

"Mr. Speaker, I rise in opposition to this measure. Mr. Speaker, this is a 'scoop' on the Hurricane Relief Fund. It belies the name of what the Hurricane Relief Fund was for, and it doesn't say it's for anything because it goes directly into the general fund. At least before, when we wanted to get rid of furloughs or we wanted to do something for the human services, social services, we had a specific reason.

"This is out and out just a grab of funds, and if you remember last Session, Mr. Speaker, our Caucus had said this should not even have been other than a loan to those needy causes. But this is really a flat out, knock 'em out, drag 'em out, empty it out Session. So with strong opposition, thank you."

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

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

"Yes, with reservations and some comments. I just wanted to remind the Members again, just the other day we had voted to increase taxes on things that would help to fund the Highway Fund. The Highway Fund was depleted because we did a raid just like this to balance the budget. But unfortunately, it hit us anyway because now we're raising taxes and increasing car registration fees. So understand that if this is the option that the Legislature wants to take, that we are going to have to pay for it down the line somewhere.

"And also our bond rating depends on funds like this being at a stronger level than we're proposing. Our other funds are also low. We need to be at, at least 5% to have a strong bond rating. If we don't have a strong bond rating, we can't do a lot of our CIP projects."

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1043, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HURRICANE RELIEF FUND," passed Second Reading and was referred to the Committee on Finance, with Representatives Thielen and Ward voting no.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 178) recommending that H.B. No. 1447, 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 H.B. No. 1447, HD 1, pass Second Reading and be referred to the Committee on Finance, 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."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1447, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PERMITTED TRANSFERS IN TRUST ACT," passed Second Reading and was referred to the Committee on Finance.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 179) recommending that H.B. No. 768, HD 1, as amended in HD 2, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 768, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Economic Revitalization & Business.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 180) recommending that H.B. No. 1110, as amended in HD 1, pass Second Reading and be referred to the Committee on Public Safety & Military Affairs.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1110, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURTS," passed Second Reading and was referred to the Committee on Public Safety & Military Affairs.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 181) recommending that H.B. No. 1111, as amended in HD 1, pass Second Reading and be referred to the Committee on Public Safety & Military Affairs.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1111, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MILITARY BENEFITS," passed Second Reading and was referred to the Committee on Public Safety & Military Affairs.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 182) recommending that H.B. No. 1264, 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 H.B. No. 1264, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC MONITORING," passed Second Reading and was referred to the Committee on Judiciary.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 183) recommending that H.B. No. 1477, 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 H.B. No. 1477, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY JUSTICE CENTERS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 184) recommending that H.B. No. 1263, 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 H.B. No. 1263, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON FATHERHOOD," passed Second Reading and was referred to the Committee on Finance.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 185) recommending that H.B. No. 614, 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 H.B. No.

614, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Second Reading and was referred to the Committee on Finance.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 186) recommending that H.B. No. 1330, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1330, HD 1, pass Second Reading and be referred to the Committee on Higher Education, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1330, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND," passed Second Reading and was referred to the Committee on Higher Education, with Representatives Belatti and Rhoads voting no.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 187) recommending that H.B. No. 821, 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 H.B. No. 821, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 188) recommending that H.B. No. 116, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 116, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL ENTERPRISE ZONES," passed Second Reading and was referred to the Committee on Economic Revitalization & Business.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 189) recommending that H.B. No. 902, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative B. Oshiro, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 902, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Second Reading and was referred to the Committee on Higher Education.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 190) recommending that H.B. No. 1201, 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 H.B. No. 1201, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH BENEFIT EXCHANGE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 191) recommending that H.B. No. 904, 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 H.B. No. 904, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 192) recommending that H.B. No. 756, 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 Committee was adopted and H.B. No. 756, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BUILDING DESIGN FOR PERSONS WITH DISABILITIES," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 193) recommending that H.B. No. 422, 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 H.B. No. 422, HD 1, pass Second Reading and 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."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 422, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE," passed Second Reading and was referred to the Committee on Finance.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 194) recommending that H.B. No. 982, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 982, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. May I have a ruling on a potential conflict? Given my pending appointment to the PUC, the PUC has jurisdiction over the renewable portfolio standards."

The Chair responded, stating:

"Madame Chair, you are excused."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 982, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE PORTFOLIO STANDARDS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative Morita being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 195) recommending that H.B. No. 224, 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 Committee be adopted, and that H.B. No. 224, HD 1, pass Second Reading and be

referred to the Committee on Water, Land, & Ocean Resources, 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 Morikawa rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 224, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources.

Representative Brower, for the Committee on Tourism presented a report (Stand. Com. Rep. No. 196) recommending that H.B. No. 394, 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 H.B. No. 394, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"A no vote, Mr. Speaker. I don't want to gamble with Hawaii."

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

"No vote. We don't want to gamble with aloha."

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Representative Luke 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 a no vote for her, and the Chair "so ordered."

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

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

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

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

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

"Yes, Mr. Speaker, I'll vote no on this measure. I would just like to point out that the Constitution of the State of Hawaii is a very well-written document. It reads very beautifully. The title of this particular amendment is really ugly and I would hate to see this language in the Constitution. I'd vote no on the merits, or the demerits of the bill."

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

Representative Pine rose, stating:

"Mr. Speaker, may I ask for a division of the House?"

The Chair responded, stating:

"At this point, after this vote is taken, the Chair will call a recess."

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

At 12:45 o'clock p.m. the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:46 o'clock p.m.

At this time, the Chair announced:

"Members, at this point in time, for Stand. Com. Rep. No. 196, HB No. 394, HD 1, there is a vote of 21 noes."

Representative Pine rose, stating:

"Mr. Speaker, I'd like to change my vote to a no."

Representative Thielen rose to respond, stating:

"Mr. Speaker, I voted no and I'm going to continue to vote no. And I would encourage at least four other W/R's to stand up and change their vote to no because then we can put this to rest and focus on the really important things. This is a distraction. It shouldn't go forward."

The Chair addressed Representative Thielen, stating:

"Representative Thielen, please address your remarks to the measure before us."

Representative Thielen continued, stating:

"Yes, I am encouraging all of those who are W/R's to stand up with backbone and vote no, now."

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

"Mr. Speaker, in support. Someone's got to stop the bleeding, Mr. Speaker. You know, I hear a lot of people especially in the Minority talk about 'let's put it on the ballot' for a lot of different questions, a lot of different issues, including big issues that we're hearing this year. And that's what this measure does. It asks, should this question be put on the ballot? And I think it's worth a little more discussion this Session."

Representative Ching rose to respond, stating:

"Thank you, Mr. Speaker. I rise in opposition. Thank you, Mr. Speaker. In response to the good Representative from Waikiki, I'd like to think that instead of just a black and white world, people recognize that the issues before us are often times grey. Therefore what happens is, as you would of course enjoy having the input of the people, you would never put the input, it is okay to cause harm, distinct harm, to the people.

"So the fact is that if you look at the facts of gambling, and for those who have been here before, but for perhaps the freshmen, we are not Las Vegas. Las Vegas is a desert that turned itself into a destination. I believe we are the exact opposite. Hawaii, its number one industry is tourism, is based on its natural beauty which is second to none in my opinion. And number two, its second to none in uniqueness of its multicultural history which is very much of interest, particularly with APEC coming. We are a very rich community. The facts are that New Orleans, I think it was mentioned in Committee hearings, tried some of this. They have much in common with us in the sense that they have a unique destination as well, and it ended up being no good.

"The crystal meth people, I have said this before ..."

The Chair addressed Representative Ching, stating:

"Representative Ching, please you confine your remarks."

Representative Ching continued, stating:

"This piece of legislation suggests putting this in the Constitution, amending the Constitution. And the fact is that people who are involved in the front lines of drug use, which we unfortunately are one of the highest, crystal meth, very bad, all of this, all the things that we do that our State is also known for which are very detrimental to our people. So I stand in defense of the health and welfare of our people. Also I wanted to add that Las Vegas is the one that fell the hardest in the recession. Thank you."

The Chair then addressed the Body, stating:

"Members of the House, Representative Souki, the Chair will allow you to speak for or against this measure. The vote is now 28 for, and 22 against. It is going to the Committee on Judiciary where the Chair, the Vice-Chair and the Committee members would like to have the opportunity to have a debate and discussion on this particular issue."

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

"Thank you very much, Mr. Chairman. I have my signature on the bill. I've been through this for many years and I hear the same arguments. I just want to speak in favor of it, of course. And those who say that its taking up valuable time. Well, this is a valuable alternative because we don't have enough money. Our income stream is not sufficient to maintain the programs that we have or the services that we provide. It has been this way since the '90s to now. We simply don't have the resources to maintain the programs or services at the size that we have.

"So unless we increase the income stream somehow, whether it's by taxes or by cuts which we have been doing quite a bit lately, and maybe more are going to be forthcoming, our quality of life will diminish over time.

"And quickly, I would just want to add that over a billion dollars of our money goes to Las Vegas. Many of you here voting no will probably take the next plane and go to Las Vegas. I hate to say it, but there is some hypocrisy over here. That's all, Mr. Chairman.

"I don't want to add anymore, and I wish the Members would look at this not just as gambling, but as an income stream that's coming in. And for the person that I signed it for, I'm very disturbed that he voted with reservations. Thank you, very much."

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

"Thank you, Mr. Speaker. In support. With all due respect to my colleagues who are not in support, I want to ask if I can have the words from the Representative from Waikiki to be inserted into the Journal as my own. And just some additional comments.

"I think it's always, always courageous when you bring controversial issues to the Floor. I think it's even more courageous when you allow the people of the State to have that dialogue. So I want to say that with the information that is out there, I think people need to also engage and be a part of that discussion, and not just this Body.

"So I just want to say, Mr. Speaker, I also would like for the words from the Representative from Wailuku to be inserted in the Journal as my own as well," and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. In support, and may I have the words of the Representatives from Waikiki, Wailuku, and Hana entered in the record as if they were my own? And just some brief comments. This is not a bill to approve casino gaming. This is a bill to put the question before the people of Hawaii. That's what it is.

"And there are several other measures that have popped up this year wanting to put controversial subjects like this before the people of Hawaii. If nothing else, if it's defeated, and remember that a blank vote counts as a no vote, then we as a Body will know at least that we don't have to keep going down this road year, after year, because it's an option the people of Hawaii don't want. But let's at least let them have their say on this so if nothing else, this Body can get some guidance from the public that elected us. Thank you, kindly."

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

"Thank you, Mr. Speaker. I'm standing in support. And I'd like the words of the Chair of the greatest resort destination in the world inserted in the Journal as if they were my own. The Chair from Waikiki.

"Mr. Speaker, I voted no every single time on any gaming issue that came up, but we need to give people options. We still have a long way to go. I think this is something definitely worth consideration, and I'd like to support the measure. Thank you, Mr. Speaker."

Representative Manahan rose, stating:

"Mr. Speaker, thank you. I'd like to change my vote from an aye with reservations, to a yes. At this point, I would like to support the Chair of Tourism and encourage the debate on this issue. Thank you."

Representative M. Lee rose, stating:

"Thank you, Mr. Speaker. I'd like to change my vote to no."

Representative Cabanilla rose, stating:

"Mr. Speaker, I'd like the count right now, so I call for the question."

The Chair responded, stating:

"We can't call for the question because this is a blanket vote on all measures from page 1 to 12. That's why the Chair is allowing the Members of this House to address this issue and to voice your concerns on Second Reading. This particular measure, if it passes, will go on to Judiciary where the Committee will have an opportunity to have a public dialogue with the general public at large."

Representative Pine rose to respond, stating:

"Yes, again in opposition. This is my first time speaking though. I'll be brief. Two points. This is a different type of money generator. This is a money generator that will make us have to expend twice the amount that we bring in. So that's point number one.

"The second point is putting it on the ballot. Let me tell you what's going to happen when we put this on the ballot. Just like what happened in other states, millions, maybe billions will come in here from people who want gaming here. Who is going to be able to spend and afford the money to battle these guys with the same type of ads. This is different from any other thing that we wanted to put on the ballot. They will control the conversation."

Representative Morikawa rose, stating:

"I'd like to change my vote from a no, to aye with reservations."

The Chair then addressed the Clerk who announced:

"Mr. Speaker, we have tallied 22 no votes at this time, out of 51 Members."

Representative Marumoto rose to respond, stating:

"Again in opposition, Mr. Speaker. I just would like to remind folks that this particular bill just has to do with machine gambling. I believe that more lower income people are attracted to machine gambling. This does not include or allow casinos. So some of you who are for gambling may realize that the casinos, which may attract more high rollers are not included. This bill would not allow for that.

"Also Neighbor Islanders, please be advised this bill is only for Oahu, so if you're for gambling on the Neighbor Islands, this is not your bill. So I'm still hoping that some of you might change your mind on this issue. Thank you, very much."

Representative Takumi rose to respond, stating:

"Thank you very much, Mr. Speaker. It's my second time I realize. Still a no vote. I think it's very tempting at times when we talk about constitutional amendments and let the people decide, if that's the logic then obviously every constitutional amendment bill that comes before us, we should just put it on the ballot. Obviously we don't. And in fact, a vast majority of con am bills, we do not pass out and put on the ballot.

"As far as my good friend Speaker Emeritus from Wailuku, and the point about going to Vegas. I think we all know what happens in Vegas, stays in Vegas. Thank you, Mr. Speaker."

Representative Souki rose to respond, stating:

"Okay, I'll make it real quick. For those who are talking about putting it on the ballot, I remember that last year, we voted on a measure for the elected board or the non-elected board. That was on the ballot."

The Chair addressed Representative Souki, stating:

"Representative Souki, you're out of order."

Representative Souki continued, stating:

"Okay, something else before I finish. Mr. Speaker, just as a note of information to the Members. Tonight, I will be part of discussion, and so will be Representative Carroll and someone who is here from the mainland, who is paid for by the anti-gaming people. I heard it said that all the bad guys are going to come if this goes to a referendum. Well they're already sending someone from the mainland. He's an economist who will speak about how bad gaming is. And if you want to listen tonight, you can listen to him and maybe you can all help to pay for his trip over here. Thank you, very much."

Representative Ward rose to respond, stating:

"Thank you, Mr. Speaker. I rise in opposition. Just as a brief retort to the previous speaker who had at least between half a dozen to a dozen 'blue suede shoes' people here when a former Speaker was very intent on gambling. But the reason why I want to stand is for two things.

"We talk about diversifying the economy. Let's get real. If we're serious about diversifying the economy it's about entrepreneurship, and it's about small business development. But Mr. Speaker, if we look back, this is Day 15 of the Session. If we look back, how many job-creation bills have hit this Floor? Zero. And now we've got a gambling bill that says, this great savior of this State is going to come about by gambling.

"Why have we front loaded all these social, emotional issues, and haven't even gotten to the economic issues. If everybody's crying economics, why is this Floor here so absent of job creation bills? Giving business a breather, giving small business entrepreneurial advantages. So I say, let us wake up. If we want to diversify the economy, this is putting false hope in gambling and is just a lark. Thank you."

Representative Ching rose to respond, stating:

"Yes, thank you, Mr. Speaker. I appreciate it. Still in opposition. Two things. I just wanted to comment on and follow up on the Representative from Hawaii Kai. One of the persuasive comments made in testimony during the hearing was that gambling, particularly this type, does indeed affect our optional tourism industry.

"Because as we all know, logic will follow that as we have all, I have been to Las Vegas. I'm not a prude against gambling. I just think it's a bad mix for Hawaii. So when you go to Las Vegas or Tahoe, you'll notice that they do everything they can to keep you inside the casino and in front of that slot machine, obviously because that's how they make a profit. So it's anti. It absolutely flies in the face of going out and actually experiencing Hawaii and some of the goals of the HTA.

"Number two. We just came out of a Human Services hearing where we're not going to be able to fund a lot of these things that they need a lot more money for. This is only going to make the human services debt of society bigger because we know already, the facts are the facts, on what gambling does to the people, addictive gambling.

"And lastly, I'd like to share this metaphor. Early in our State's history we introduced a particular pest, the mongoose, to take care of the rat that we so despised because it was a problem. We wanted to take care of it so we introduced the mongoose. Everyone knows this story. We didn't look beforehand. We didn't check that indeed, the mongoose was diurnal during the day, and the rat nocturnal. Thus we have two problems that then ate away the birds, and destroyed the native bird species, which decimated our unique birds of Hawaii. In a way, our birds are our heritage, Mr. Speaker.

And we introduced the mongoose which will eat the eggs of our birds. Thank you."

Representative Brower rose to respond, stating:

"Thank you, Mr. Speaker. I'm still in support. I'd just like to say that this is the first of several gaming measures that will be coming to the Floor in the next week or so. My comfort level isn't as high as I would like it to be on this issue, but I think we have a responsibility to take each subject matter and put our best ideas together for it, and then more towards later in the Session decide what the best reaction will be."

The Chair addressed the Body, stating:

"We've had a lot of discussion, and I'm happy that we've had this discussion and dialogue primarily because the Chair and the Vice Chair of the Judiciary Committee, and their Committee members will have another opportunity to have this lively discussion in the Committee, if it is scheduled for a hearing."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 394, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF HAWAII TO LEGALIZE SLOT MACHINE GAMBLING AND GAMBLING BY VIDEO POKER MACHINES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Aquino, Belatti, Ching, Choy, Cullen, Fontaine, Johanson, C. Lee, M. Lee, Marumoto, Morita, Nishimoto, Pine, Rhoads, Riviere, Saiki, Takai, Takumi, Thielen, Ward, Wooley and Yamane voting no.

Representative Brower, for the Committee on Tourism presented a report (Stand. Com. Rep. No. 197) recommending that H.B. No. 548, 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 Committee was adopted and H.B. No. 548, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRESPASS," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 198) recommending that H.B. No. 1617, pass Second Reading and be referred jointly to the Committee on Tourism and the Committee on Economic Revitalization & Business.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 1617, pass Second Reading and be referred jointly to the Committee on Tourism and the Committee on Economic Revitalization & Business, seconded by Representative Evans.

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

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

Representative Hanohano's written remarks are as follows:

"Mr. Speaker, this bill relates to public lands. The Committee on Hawaiian Affairs didn't get an opportunity to discuss the issue. According to the House Majority Staff Office, public land is within this Committee's area of responsibility."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1617, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred jointly to the Committee on Tourism and the Committee on Economic Revitalization & Business.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 199) recommending that H.B. No. 318, 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 H.B. No. 318, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VOG," passed Second Reading and was referred to the Committee on Finance.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 200) recommending that H.B. No. 514, 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 H.B. No. 514, entitled: "A BILL FOR AN ACT MAKING A GRANT FOR THE ESTABLISHMENT AND OPERATION OF A COMPREHENSIVE DEAF CENTER," passed Second Reading and was referred to the Committee on Finance.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 201) recommending that H.B. No. 1212, 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 H.B. No. 1212, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SUBSTANCE ABUSE," passed Second Reading and was referred to the Committee on Finance.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 202) recommending that H.B. No. 1435, 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 H.B. No. 1435, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Second Reading and was referred to the Committee on Judiciary.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 203) recommending that H.B. No. 377, pass Second Reading and be referred to the Committee on Hawaiian Affairs.

Representative B. Oshiro moved that the report of the Committee be adopted, and that H.B. No. 377, pass Second Reading and be referred to the Committee on Hawaiian Affairs, seconded by Representative Evans.

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

Representative Hanohano's written remarks are as follows:

"Mr. Speaker, this bill is to ensure State lands are used to promote the preservation and development of Hawaiian fishponds. Developers are not clearly defined in the bill. My question is, who are the developers that are interested in building Hawaiian fishponds?"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 377, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Hawaiian Affairs.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 204) recommending that H.B. No. 585, 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 H.B. No. 585, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES," passed Second Reading and was referred to the Committee on Finance.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 205) recommending that H.B. No. 1082, 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 H.B. No. 1082, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION AND RESOURCES ENFORCEMENT SPECIAL FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 206) recommending that H.B. No. 1017, 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 H.B. No. 1017, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BIOFUELS," passed Second Reading and was referred to the Committee on Finance.

SUSPENSION OF RULES

On motion by Representative Evans, seconded by Representative Pine and carried, the rules were suspended for the purpose of considering a certain House Bill for Third Reading by consent calendar. (Representative McKelvey was excused.)

THIRD READING

H.B. No. 894, HD 1:

Representative B. Oshiro moved that H.B. No. 894, HD 1, pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker, in very strong support. Mr. Speaker, since the financial collapse in 2008, our State like much of the nation is facing a foreclosure crisis. In this economic climate, people are struggling to keep up with their mortgage payments and are exhausting every method available to try to modify their loans so they can keep their homes. Sometimes they are led to believe that they are in modification only to learn that their house has already been foreclosed upon.

"We've heard a number of issues like that. Every day we hear stories of lender abuse. The DCCA Office of Consumer Protection is barraged with complaints on a daily basis. People are hurting. We heard many of their stories yesterday during the CPC hearing, but we have to be very careful that we do not further depress mortgage lending.

"This is a very complicated issue and that's why we created the Mortgage Foreclosure Task Force last year to ask those on the ground for their guidance as what to do about this crisis. One of their main recommendations is to create an option for those borrowers who are owner-occupants of their homes and undergoing non-judicial foreclosure to convert to judicial foreclosure. And it appears the off-shore banks are trying to rush the foreclosure process before we can enact that amendment.

"What this bill is, is a timeout. The Committee, both the Committees on CPC and JUD are working very hard on a comprehensive owner-occupant, non-judicial foreclosure law that will, if this moratorium becomes law, that

those laws will repeal this. And then with the new law in place we will offer protections to the consumers. I urge the Member's support. Thank you, Mr. Speaker."

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

"Mr. Speaker, I'd like a ruling on a potential conflict. I am a mortgage lender," and the Chair ruled, "no conflict."

Representative Riviere continued to speak in opposition to the measure, stating:

"If I may speak in opposition. I'd like to submit my comments, but I would just like to paraphrase it by saying that this will send severe repercussions through the lending industry. I think it will adversely affect many borrowers' ability. Qualified borrowers will now have a harder time to get loans and they will more likely have higher rates. I just think this sends the wrong signal for the mortgage industry which is already having a very difficult time clearing loans for people to buy homes. So I'm in opposition."

Representative Riviere's written remarks are as follows:

"House Bill 894 will severely impact the mortgage lending industry in Hawaii by making future loans more difficult and expensive to acquire, even for the most highly qualified borrowers.

"This bill creates uncertainty for mortgage lenders by signaling that laws and contracts may not be honored in our State. This uncertainty will likely increase the cost of borrowing for all future home owners because Hawaii could be deemed a high-risk state in which to lend.

"A Mortgage Foreclosure Task Force made several substantive recommendations to reform the non-judicial foreclosure process and related matters. This bill was not one of those recommendations. A five-month moratorium on non-judicial foreclosures will do nothing to fix the underlying problems, but it will send a terrible message to the investment world.

"Unfortunately, HB 894 will do more damage than good to Hawaii property owners and I must vote against this bill."

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

"Mr. Speaker, I rise with reservations. I take at face value the Chair's words that there's assistance that's needed, but I would also say that caution is needed. This industry is the industry, if you recall, that helped us turn the corner in the last recession in the late '90s, early 2000s. The real estate industry pulled us around, or at least was the beginning one. We have a very weak real estate industry now, and if what my colleague from the North Shore just spoke about, and it weakens that industry, Mr. Speaker, we're going to cut our nose to spite our face.

"So we have to move, but move cautiously, and I think with the idea that one false move and we're going to be in trouble because our economy is shaking, people are hurting, and we should be sensitive to all those variables. Thank you."

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

"Yes, Mr. Speaker, I rise with reservations. I'm just worried about the unintended consequences that may happen with the moratorium. We just don't know what's going to happen, and I think what was said earlier about what the ramifications would be, for people getting new loans, that needs to be considered. So I ask to vote with reservations. Thank you."

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

Representative Carroll rose in support of the measure and asked that the remarks of Representative Herkes be inserted in the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"Reservations and a brief comment. I do agree with the Representative from the North Shore that this would have a partial devastating effect on the industry. However, as the Representative from Ewa Beach where we had the highest foreclosures in the State, I can tell stories where there are people who are being foreclosed on who have made their payments on a monthly basis.

"And it's primarily a particular bank from the mainland, and not the local banks. And I apologize as this may affect them, but we cannot constitutionally make a law that will only affect a mainland corporation. It is only five months, and hopefully when we end the moratorium that everything will be back to normal, but for those families who have done everything in their power to pay their payments. And we've also had fraud where random names are added to their mortgages.

"I think this will allow us to have more investigation because right now, those families that I'm helping, they're being directed by the Attorney General to work with the Attorney General of the United States, and of course they have a backlog. So by the time they do get the help, they've already been foreclosed on."

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

"Mr. Speaker, I rise in support. I'd just like to be very brief. I think that people are perhaps misreading the idea of a moratorium. This is not a complete moratorium on foreclosures. All this says is you can't go through the non-judicial route which means that you can't just go through the paper work filing and sending of papers. Instead you actually need to appear before the court, and that court can actually carefully review and scrutinize the foreclosure to make sure that none of the evils that were talked about regarding fraud, or inducement, or mistake, or any of the other things are occurring.

"The Judiciary does have the discretion with which to reassign various judges and make sure that there are more foreclosure judges so this doesn't cause a complete halt to foreclosure actions. Currently in the First Judicial Circuit, there's only one judge that does foreclosures, but there's nothing that precludes the CJ from assigning more judges to do foreclosures.

"And actually that may be the way in which we can strike a balance because we will have judges actually scrutinizing every application, making sure that these are done properly and that there's nothing going wrong, and that when these people unfortunately will be closed out of their homes that they invested in, that it is being done in the right manner. And for that reason, I stand in support. Thank you."

Representative Herkes rose to respond, stating:

"Still in support. For the Member's information, this is a temporary issue to stop some of the abuses that are going on. I urge the Members to look at House Bill 1411, HD 1, which provides for the permanent solution, as far as the House is concerned, to non-judicial foreclosures of owner-occupant houses."

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

Representative Wooley's written remarks are as follows:

"I stand in support of this bill, which will help to decrease the fast-paced foreclosure rate that has affected not only individual families, but also the State's real estate market. I am particularly concerned about the push by large, mainland banks to foreclose on homes in Hawaii in these tough times and shortly after many big banks were bailed out by the taxpayers. We must take steps to hold banks accountable. Temporarily prohibiting

non-judicial foreclosures to prevent the devastating home owner losses that may be improper or short sighted will not only help many of our families, it will also provide stability in our real estate market. This bill does not prevent foreclosures. It merely limits them to judicial foreclosures. This will ensure that there is some process in place, at least in the short run, to prevent abuse and unwarranted foreclosures."

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

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

Representative Johanson's written remarks are as follows:

"I have no doubt that some of our residents are having to cope with the awful prospect of foreclosure. I sympathize with their concerns, particularly in cases where the resident may not necessarily be responsible for the foreclosure. While I feel for the residents of Hawaii who are suffering through these economic times and on the verge of losing their homes, I am also concerned with the broader implications that this bill may have on the mortgage lending industry, and by extension, all of Hawaii's residents. Thus, I will be voting in support with reservations because I recognize that even limited government intervention (as would be the case with a moratorium on non-judicial foreclosures), however well-intended, can be precedent-setting and a slippery slope to active government intervention in future private contracts."

The motion was put to vote by the Chair and carried, and H.B. No. 894, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE FORECLOSURES," passed Third Reading by a vote of 49 ayes to 1 no, with Representative Riviere voting no, and with Representative McKelvey being excused.

At 1:14 o'clock p.m., the Chair noted that the following bill passed Third Reading:

H.B. No. 894, HD 1

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 33 through 37) and concurrent resolutions (H.C.R. Nos. 38 through 43) were referred to Printing and further action was deferred:

H.R. No. 33, entitled: "HOUSE RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE EFFECTS OF SPORTS FIELD AND COURT LIGHTS ON THE MIGRATORY PATTERNS OF SEABIRDS IN HAWAII," was jointly offered by Representatives M. Lee, Ichiyama, Carroll and Rhoads.

H.R. No. 34, entitled: "HOUSE RESOLUTION URGING THE BOARD OF EDUCATION TO DEFER DECISION-MAKING ON THE CLOSURE OF LILIUOKALANI ELEMENTARY SCHOOL UNTIL THE NEW MEMBERS OF THE BOARD OF EDUCATION ARE APPOINTED BY THE GOVERNOR AND SEATED," was jointly offered by Representatives Say, Hashem, Marumoto and Nishimoto.

H.R. No. 35, entitled: "HOUSE RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO EVALUATE THE FEASIBILITY OF INCORPORATING COMMUNITY SOLAR GARDENS IN HAWAII'S NET ENERGY METERING LAW," was offered by Representative Evans.

H.R. No. 36, entitled: "HOUSE RESOLUTION REQUESTING THE STATE OF HAWAII AND THE CITY AND COUNTY OF HONOLULU TO ALLOW ADEQUATE TIME FOR PROPER PERMITTING AND SAFETY REGULATIONS FOR KUPUNA TERRACE IN WAIMANALO," was jointly offered by Representatives C. Lee, Aquino, Awana, Belatti, Brower, Carroll, Ching, Choy, Coffman, Cullen, Evans, Fontaine, Hanohano, Hashem, Ichiyama, Ito, Johanson, Jordan, Keith-Agaran, M. Lee, Luke, Manahan, Marumoto, McKelvey, Mizuno, Morikawa, Morita, Nakashima, Nishimoto, B. Oshiro, Pine, Say, Souki, Takai, Takumi, Thielen, Tokioka, Ward, Wooley, Yamane, Yamashita, Herkes, Rhoads and Saiki.

H.R. No. 37, entitled: "HOUSE RESOLUTION REQUESTING THE LEGISLATURE TO SUPPORT THE EDUCATION OF HAWAII'S DRIVERS REGARDING THEIR RESPONSIBILITIES TO BLIND PEDESTRIANS," was offered by Representative Aquino.

H.C.R. No. 38, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO STUDY THE EFFECTS OF SPORTS FIELD AND COURT LIGHTS ON THE MIGRATORY PATTERNS OF SEABIRDS IN HAWAII," was jointly offered by Representatives M. Lee, Ichiyama, Carroll and Rhoads.

H.C.R. No. 39, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE BOARD OF EDUCATION TO DEFER DECISION-MAKING ON THE CLOSURE OF LILIUOKALANI ELEMENTARY SCHOOL UNTIL THE NEW MEMBERS OF THE BOARD OF EDUCATION ARE APPOINTED BY THE GOVERNOR AND SEATED," was jointly offered by Representatives Say, Hashem, Marumoto and Nishimoto.

H.C.R. No. 40, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE PUBLIC UTILITIES COMMISSION TO EVALUATE THE FEASIBILITY OF INCORPORATING COMMUNITY SOLAR GARDENS IN HAWAII'S NET ENERGY METERING LAW," was offered by Representative Evans.

H.C.R. No. 41, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO PERFORM A FINANCIAL AND MANAGEMENT AUDIT OF KEALAKEHE HIGH SCHOOL," was offered by Representative Evans.

H.C.R. No. 42, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE STATE OF HAWAII AND THE CITY AND COUNTY OF HONOLULU TO ALLOW ADEQUATE TIME FOR PROPER PERMITTING AND SAFETY REGULATIONS FOR KUPUNA TERRACE IN WAIMANALO," was jointly offered by Representatives C. Lee, Aquino, Awana, Belatti, Brower, Carroll, Ching, Choy, Coffman, Cullen, Evans, Fontaine, Hanohano, Hashem, Ichiyama, Ito, Johanson, Jordan, Keith-Agaran, M. Lee, Luke, Manahan, McKelvey, Mizuno, Morikawa, Morita, Nakashima, Nishimoto, B. Oshiro, Pine, Riviere, Say, Souki, Takai, Takumi, Thielen, Tokioka, Ward, Wooley, Yamane, Yamashita, Herkes, Marumoto, Rhoads and Saiki.

H.C.R. No. 43, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE LEGISLATURE TO SUPPORT THE EDUCATION OF HAWAII'S DRIVERS REGARDING THEIR RESPONSIBILITIES TO BLIND PEDESTRIANS," was offered by Representative Aquino.

ANNOUNCEMENTS

Speaker Say: "At this time, the Chair has an announcement to make for all the Members of the House, primarily the Chairs. Filing deadline tonight is 6 p.m. This is in regards to all Triple Referral bills which must go to the second Committee for its referral tomorrow."

COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

H.R.**Nos.** **Referred to:**

- 30 Committee on International Affairs
- 33 Committee on Water, Land, & Ocean Resources, then to the
Committee on Finance

H.C.R.**Nos.** **Referred to:**

- 37 Committee on International Affairs
- 38 Committee on Water, Land, & Ocean Resources, then to the
Committee on Finance

COMMITTEE REASSIGNMENTS

The following measures were re-referred to committee by the Speaker:

H.B.**Nos.** **Re-referred to:**

- 160 Committee on Health, then to the Committee on Finance
- 308,
HD1 Committee on Housing, then to the Committee on Judiciary
- 309,
HD1 Jointly to the Committee on Housing and the Committee on
Water, Land, & Ocean Resources, then to the Committee on
Judiciary
- 344,
HD1 Committee on Education, then to the Committee on Finance
- 389,
HD1 Jointly to the Committee on Water, Land, & Ocean Resources
and the Committee on Hawaiian Affairs, then to the
Committee on Finance
- 601 Committee on Housing, then to the Committee on Judiciary
- 744 Committee on Finance
- 911 Committee on Finance
- 1059 Committee on Finance

ADJOURNMENT

At 1:14 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 tomorrow, Friday, February 11, 2011. (Representative McKelvey was excused.)