

FORTY-FOURTH DAY

Thursday, April 4, 2013

The House of Representatives of the Twenty-Seventh Legislature of the State of Hawaii, Regular Session of 2013, convened at 12:07 o'clock p.m., with Vice Speaker Mizuno presiding.

The invocation was delivered by Representative Roy M. Takumi, after which the Roll was called showing all Members present with the exception of Representatives Carroll and Ito, who were excused.

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

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 256, 257 and 1104) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 256, dated March 28, 2013, transmitting the Relating to Concussions Report, prepared by the Department of Education pursuant to Act 197, SLH 2012.

Gov. Msg. No. 257, dated April 1, 2013, transmitting proposed changes to the FB 2013-15 Biennium Budget for the Department of Human Services.

Gov. Msg. No. 1104, informing the House that on April 3, 2013, the following bill was signed into law:

H.B. No. 941, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL AREA RESERVES SYSTEM COMMISSION." (ACT 004)

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 422 through 440) were received and announced by the Clerk:

Sen. Com. No. 422, transmitting H.B. No. 79, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADVANCED PRACTICE REGISTERED NURSES," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 423, transmitting H.B. No. 651, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRONIC PRESCRIPTIONS," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 424, transmitting H.B. No. 178, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTINUING EDUCATION," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 425, transmitting H.B. No. 224, HD 3, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN LANGUAGE IMMERSION PROGRAM," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 426, transmitting H.B. No. 407, HD 2, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CANCER," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 427, transmitting H.B. No. 424, HD 1, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TIMESHARE CONVEYANCES," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 428, transmitting H.B. No. 504, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE FUNDS," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 429, transmitting H.B. No. 519, HD 1, SD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 430, transmitting H.B. No. 653, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HAWAII PACIFIC HEALTH," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 431, transmitting H.B. No. 880, HD 2, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE NURSING FACILITY SUSTAINABILITY PROGRAM," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 432, transmitting H.B. No. 929, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT AND TRAINING ASSESSMENT," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 433, transmitting H.B. No. 1375, SD 2, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," which passed Third Reading in the Senate on April 3, 2013.

Sen. Com. No. 434, transmitting S.C.R. No. 6, entitled: "SENATE CONCURRENT RESOLUTION ENCOURAGING THE UNITED STATES CONGRESS TO ENACT FEDERAL LEGISLATION TO MODERNIZE THE TOXIC SUBSTANCES CONTROL ACT OF 1976 TO STRENGTHEN CHEMICALS MANAGEMENT THROUGH POLICY REFORMS," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 435, transmitting S.C.R. No. 47, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE COUNCIL OF THE CITY AND COUNTY OF HONOLULU TO RENAME A PORTION OF CORAL STREET TO "LEX BRODIE STREET"," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 436, transmitting S.C.R. No. 62, SD 1, entitled: "SENATE CONCURRENT RESOLUTION URGING HAWAII'S CONGRESSIONAL DELEGATION TO SUPPORT CONTINUED FUNDING FOR THE CONGRESSIONALLY DIRECTED MEDICAL RESEARCH PROGRAM FOR NEUROFIBROMATOSIS," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 437, transmitting S.C.R. No. 84, SD 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE CONTRACTORS LICENSE BOARD TO CONDUCT AN ASSESSMENT AND PREPARE A REPORT THAT EVALUATES EACH LICENSING CLASSIFICATION UNDER CHAPTER 444, HAWAII REVISED STATUTES," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 438, transmitting S.C.R. No. 91, SD 1, entitled: "SENATE CONCURRENT RESOLUTION RECOGNIZING SEPTEMBER 21, 2013, AS HYDROCEPHALUS AWARENESS DAY IN HAWAII," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 439, transmitting S.C.R. No. 100, entitled: "SENATE CONCURRENT RESOLUTION URGING THE GOVERNOR TO STRIVE TO ACHIEVE OR MAINTAIN GENDER EQUITY IN THE NOMINATIONS AND APPOINTMENTS OF MEMBERS TO STATE BOARDS AND COMMISSIONS," which was adopted by the Senate on April 3, 2013.

Sen. Com. No. 440, transmitting S.C.R. No. 125, SD 1, entitled: "SENATE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS AND THE AMERICAN ASSOCIATION FOR MARRIAGE AND FAMILY THERAPY: HAWAII DIVISION, TO DEVELOP DRAFT LEGISLATION ESTABLISHING, IMPLEMENTING, AND MONITORING CONTINUING EDUCATION REQUIREMENTS FOR ALL LICENSED MARRIAGE AND FAMILY THERAPISTS IN HAWAII," which was adopted by the Senate on April 3, 2013.

Representative Saiki moved to disagree to the amendments made by the Senate to the following House Bills, seconded by Representative Awana and carried: (Representatives Carroll and Ito were excused.)

H.B. No. 178, HD 1, (SD 1)
 H.B. No. 224, HD 3, (SD 2)
 H.B. No. 407, HD 2, (SD 2)
 H.B. No. 424, HD 1, (SD 2)
 H.B. No. 504, HD 1, (SD 1)
 H.B. No. 519, HD 1, (SD 1)
 H.B. No. 653, (SD 1)
 H.B. No. 880, HD 2, (SD 2)
 H.B. No. 929, (SD 1)
 H.B. No. 1375, (SD 2)

DEPARTMENTAL COMMUNICATIONS

The following departmental communication (Dept. Com. No. 96) was received by the Clerk and was placed on file:

Dept. Com. No. 96, from the Office of the Auditor dated March 27, 2013, transmitting the report, "Management Audit of the Department of Agriculture's Measurement Standards Branch" (Report No. 13-01), pursuant to Section 23-9, HRS.

At 12:11 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:55 o'clock p.m.

ORDER OF THE DAY

At this time, the Chair stated:

"Members, please turn to page 5. Stand. Com. Report Number 1417, Senate Bill 930, SD 1, HD 1 will be deferred one legislative day.

REPORTS OF STANDING COMMITTEES

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1417) recommending that S.B. No. 930, SD 1, HD 1 pass Third Reading.

By unanimous consent, action was deferred one legislative day.

SUSPENSION OF RULES

At this time, the Chair stated:

"Members, please note that Senate Bill Number 1138, HD 1 has been re-referred solely to the Committee on Health per Committee Referral Sheet Number 49. The Committee on Judiciary waived its referral to this measure. Therefore, it is appropriate for the House to consider action for passage on Third Reading. We will have four motions on this measure."

On motion by Representative Saiki, seconded by Representative Awana and carried, the rules were suspended to reconsider action previously taken on S.B. No. 1138, HD 1. (Representative Cabanilla was excused)

RECONSIDERATION OF ACTION TAKEN

On motion by Representative Saiki, seconded by Representative Awana and carried, the House reconsidered its action previously taken pursuant to the recommendation contained in Standing Committee Report No. 1217, recommending referral to the Committee on Judiciary. (Representative Cabanilla was excused.)

SUSPENSION OF RULES

On motion by Representative Saiki, seconded by Representative Awana and carried, the rules were suspended for the purpose of considering certain Senate Bills for Third Reading by consent calendar. (Representative Cabanilla was excused.)

UNFINISHED BUSINESS

S.B. No. 1138, HD 1:

On motion by Representative Saiki, seconded by Representative Awana and carried, S.B. No. 1138, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VACCINATION GUIDELINES," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

At 12:58 o'clock p.m., the Chair noted that the following bill passed Third Reading:

S.B. No. 1138, HD 1

SUSPENSION OF RULES

At this time, the Chair stated:

"Members, please note that per Committee Referral Sheet Number 49, House Resolution Number 121 and its companion, House Concurrent Resolution Number 152 have been re-referred solely to the Committee on Veterans, Military & International Affairs, & Culture and the Arts. The Committees on Economic Development and Business and Finance waived their referral to these measures and therefore it is appropriate for the House to consider action for adoption."

On motion by Representative Saiki, seconded by Representative Awana and carried, the rules were suspended to reconsider action previously taken on H.R. No. 121; and H.C.R. No. 152. (Representative Cabanilla was excused.)

RECONSIDERATION OF ACTION TAKEN

On motion by Representative Saiki, seconded by Representative Awana and carried, the House reconsidered its action previously taken pursuant to the recommendation contained in Standing Committee Report Nos. 1294 and 1295, recommending referral to the Committee on Economic Development & Business. (Representative Cabanilla was excused.)

UNFINISHED BUSINESS

H.R. No. 121; and H.C.R. No. 152:

On motion by Representative Saiki, seconded by Representative Awana and carried, H.R. No. 121, entitled: "HOUSE RESOLUTION RECOGNIZING AND COMMENDING THE UNITED STATES-INDONESIA COMPREHENSIVE PARTNERSHIP AND THE GLOBAL SIGNIFICANCE OF ENHANCED COOPERATION BETWEEN THE UNITED STATES AND INDONESIA," was adopted, with Representative Cabanilla being excused; and

H.C.R. No. 152, entitled: "HOUSE CONCURRENT RESOLUTION RECOGNIZING AND COMMENDING THE UNITED STATES-INDONESIA COMPREHENSIVE PARTNERSHIP AND THE GLOBAL SIGNIFICANCE OF ENHANCED COOPERATION BETWEEN THE UNITED STATES AND INDONESIA," was adopted, with Representative Cabanilla being excused.

REPORTS OF STANDING COMMITTEES

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1404) recommending that S.B. No. 326, SD 1, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 326, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1405) recommending that S.B. No. 327, SD 1, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 327, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1406) recommending that S.B. No. 593, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 593, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

"I'd like to request a ruling on a potential conflict. My family has a poultry farm. Thank you," and the Chair ruled, "no conflict."

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

"Mr. Speaker, ruling on a potential conflict. My family operates a farm," 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. 593, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1407) recommending that S.B. No. 993, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 993, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1408) recommending that S.B. No. 505, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 505, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

"Mr. Speaker, I rise in opposition with a brief comment. Mr. Speaker, the monthly maintenance fee in condominiums is getting to be, it's almost a second mortgage, it's getting so high. And they keep going up because costs keep going up. My fear on this bill which is asking for another fee,

either \$3 a unit or \$1 a unit, is going to be one of the straws that breaks the camel's back.

"Why I say this is because some condominiums, like some families, like some businesses, like some nations, like some cities, are managed very well and they get along. This is going to be used for those that don't get along very well and they have to go to arbitration. There's going to be some bad apples out there, going to suck all this money in this trust fund, and all the good managed condos are going to have to be subsidizing and paying for that. Because of that I think it's running in the wrong direction. Because of those reasons I'm voting no."

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

"Thank you, Mr. Speaker. Ruling on a potential conflict. At my law firm I represent condominium associations. Thank you," and the Chair ruled, "no conflict."

Representative Har 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. 505, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Third Reading by a vote of 46 ayes to 4 noes, with Representatives Fale, Fukumoto, McDermott and Ward voting no, and with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1409) recommending that S.B. No. 511 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 511, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM COMMERCIAL CODE ARTICLE 4A," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1410) recommending that S.B. No. 633 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 633, entitled: "A BILL FOR AN ACT RELATING TO UNLICENSED CONTRACTING ACTIVITIES," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1411) recommending that S.B. No. 1039 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1039, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1412) recommending that S.B. No. 1042, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1042, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1413) recommending that S.B. No. 1066, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1066, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES LAW," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1414) recommending that S.B. No. 1067, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1067, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

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

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

Representative Ito 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. 1067, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Fale, Fukumoto and McDermott voting no, and with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1415) recommending that S.B. No. 1070, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1070, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

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

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

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

Representative Ito 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. 1070, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE SERVICERS," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives

Fale and McDermott voting no, and with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1416) recommending that S.B. No. 1071, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1071, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

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

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

Representative Ito 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. 1071, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives Fale and McDermott voting no, and with Representative Cabanilla being excused.

At this time, the Chair stated:

"Members, we have deferred Stand. Com. Report Number 1417, Senate Bill 930 for one legislative day, as stated earlier."

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1418) recommending that S.B. No. 1000, SD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1000, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ACCESS HAWAII COMMITTEE," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1419) recommending that S.B. No. 1001 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1001, entitled: "A BILL FOR AN ACT RELATING TO THE ENHANCED 911 BOARD," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1420) recommending that S.B. No. 1068, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1068, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

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

Representative Fukumoto 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. 1068, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Fale, McDermott and Ward voting no, and with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1421) recommending that S.B. No. 1280, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1280, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST A SEAWATER PROJECT," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1422) recommending that S.B. No. 1349, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1349, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Third Reading by a vote of 50 ayes, with Representative Cabanilla being excused.

At 1:09 o'clock p.m., the Chair noted that the following bills passed Third Reading:

S.B. No. 326, SD 1, HD 1
 S.B. No. 327, SD 1, HD 1
 S.B. No. 593, SD 2, HD 1
 S.B. No. 993, SD 2, HD 1
 S.B. No. 505, SD 2, HD 1
 S.B. No. 511
 S.B. No. 633
 S.B. No. 1039
 S.B. No. 1042, SD 2, HD 1
 S.B. No. 1066, HD 1
 S.B. No. 1067, SD 2, HD 1
 S.B. No. 1070, SD 2, HD 1
 S.B. No. 1071, SD 2, HD 1
 S.B. No. 1000, SD 1
 S.B. No. 1001
 S.B. No. 1068, SD 2, HD 1
 S.B. No. 1280, SD 2, HD 1
 S.B. No. 1349, SD 2, HD 1

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1423) recommending that S.B. No. 1102 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1102 pass Third Reading, seconded by Representative Awana.

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

"Mr. Speaker, ruling on a possible conflict. My wife is a consultant to Hawaii Pacific Health," 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. 1102, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES FROM THE HOSPITAL SUSTAINABILITY PROGRAM SPECIAL FUND," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1424) recommending that S.B. No. 305, SD 1, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 305, SD 1, HD 1 pass Third Reading, seconded by Representative Awana.

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

"Thank you. Mr. Speaker, I'm rising to speak against the bill. Thank you. Mr. Speaker, the bill is a good idea. My opposition relates to its expansion. This will authorize HPHA to develop commercial, industrial and other properties if HPHA determines that its use will be an integral part of public housing development or benefit the community.

"So in other words, if it were tightly drafted to just public housing property, fine. But when it's expansive like this I see PLDC kind of oozing out of its language. Thank you."

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

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

Representative Fale 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. 305, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENT OF PUBLIC HOUSING," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives McDermott, Thielen and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1425) recommending that S.B. No. 1112 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1112, entitled: "A BILL FOR AN ACT RELATING TO DELETING STATE PUBLIC HOUSING DELINQUENT ACCOUNTS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1426) recommending that S.B. No. 1118, SD 1, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1118, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY," passed Third Reading by a vote of 50 ayes to 1 no, with Representative McKelvey voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1427) recommending that S.B. No. 306, SD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 306,

SD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1428) recommending that S.B. No. 1340, SD 2, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1340, SD 2, HD 2 pass Third Reading, seconded by Representative Awana.

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

"Mr. Speaker, I stand in strong support. Brief comments. I often get up here to criticize when I think something is amiss. We had a similar House Bill, and I just want to say, well done. This, I think, is a very good measure and I just wanted to say something positive today. The good news is I got it all out of my system on Second Reading so I don't think I'll be talking much today. Thank you."

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

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

"Thank you, Mr. Speaker. I'd like to comment on a potential conflict. I just received my temporary foster care license because I'm in the process of adopting a baby, who is related to me, who is in CPS. 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. 1340, SD 2, HD 2, entitled: "A BILL FOR AN ACT RELATING TO FOSTER CARE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1429) recommending that S.B. No. 886 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 886, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VI, SECTION 3, OF THE HAWAII STATE CONSTITUTION TO INCREASE THE MANDATORY RETIREMENT AGE FOR STATE JUSTICES AND JUDGES," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Coffman voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1430) recommending that S.B. No. 891 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 891, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Fale and McDermott voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1431) recommending that S.B. No. 331, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 331, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

"Mr. Speaker, once more with reservations. As this measure goes into conference I would hope the conferees of the House would consider the

federal standard as the tip credit amount, the federal standard in regards to the tip credit amount at the federal level. Thank you very much."

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

"Thank you, Mr. Speaker. In support with reservations. I think it's laudable that we want to raise the minimum wage and I think it's great that we've heard in testimony that many businesses are willing, up to a certain point.

"I do hope that as this bill moves into conference we look at potentially providing some relief period in between the successive increases so that it allows a little bit more flexibility in terms of everyone's budgets for these small businesses just to be able to adjust and plan accordingly so that we actually can fulfill paying higher wages. Thank you."

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

"Mr. Speaker, in opposition. Mr. Speaker, when I first came to Hawaii in my mid-teens, the minimum wage I believe was about \$5.15 an hour or so. I was one of those workers at minimum wage. And a BBQ mix plate was about \$5.50 at L&L, and McDonald's had 49 cent hamburger days and I think it was either on Tuesday or Thursday.

"Now, Mr. Speaker, the BBQ mix plates on average are \$10 or more. Minimum wage is what, \$7.75 right now an hour? My little sisters work at minimum wage. What I don't like about this bill, Mr. Speaker, is why are we tinkering with the system? If we're going to do something, let's go big, let's go big as they say, as some of my friends in the army say.

"I have something here. It's the Spotlight on Poverty, Mr. Speaker, and it says, the hourly wage necessary to afford a 2 bedroom apartment is \$31.68 an hour. \$31.68 an hour. What we're moving this up to is \$9.00 an hour by 2017. Is this really going to get the help to the people that need it, Mr. Speaker? I don't think it does.

"So, this continues to put a band-aid, Mr. Speaker, on an over-arching economic and education problem that we have throughout the state. We know that this is a big issue, it's a hot topic in the community. People are always talking about living wage, increasing the minimum wage. But we're not doing what we need to do to really impact the quality of life and the cost of living here in the State of Hawaii, Mr. Speaker.

"That's my big concern with this, is we have a tendency like with a lot of issues that we have with our Department of Education, where we go and we just repair, we just throw a little duct tape on it. Like I do with my car, Mr. Speaker, I don't have the money so I put a little duct tape on my bumper, hope it stays on for another few months until I can save the money to fix it.

"I don't want to put duct tape on problems, Mr. Speaker. We need to do something real. We need to fix the problem. These little micro increases so that we can turn around, we raised the minimum wage, and still not address the hard questions, the hard problems that need to be solved. I really don't like it when I see people come and say, okay all we need to do is tinker here, tinker there, a little duct tape here.

"Mr. Speaker, we need to do more than what we're doing, and this small increase isn't going to. If we're going to fix the problem, let's go to \$31.68 an hour. Let's not play around. So, Mr. Speaker, my opposition to this is that one, we're not addressing the underlying issues with the cost of living, with the hardship that our community faces.

"I guarantee you, Mr. Speaker, when we get to \$9.00 an hour in 2017, a BBQ mix plate is going to be \$20. The purchasing power of this \$9.00 probably isn't even, at the rate we're printing money, at the rate that our currency is losing its value, the purchasing power of this \$9.00 isn't even going to be the same as the \$7.75 that it is today. Just like it's not the same as the \$5.15 when I got my first minimum wage job, Mr. Speaker. So I'm just saying, let's stop playing around and actually solve some problems, Mr. Speaker, when it comes to this issue."

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

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in opposition to Standing Committee Report 1431, Senate Bill 331, Senate Draft 2, House Draft 1. The purpose of this bill is to increase minimum wage in increments from the current \$7.25 to \$9.00 by 2017.

"I do support a minimum wage increase because we want to ensure that Hawaii's people are earning a livable wage. However, while the current bill includes language for a tip credit, it is blanked out. Until that number is inserted, I am forced to oppose the minimum wage increase because without it, the bill will ultimately hurt the very people we are trying to help.

"SB 331, SD 2, HD 1 would severely impact low-wage earners in the restaurant industry. In a restaurant, only 'Front of the House' employees, such as wait staff, are making minimum wage. However, they earn also daily tips on top of their minimum wage earnings. Those who work in the 'Back of the House,' such as kitchen staff and maintenance, earn above minimum wage but do not receive any tips. According to the testimonies of those working in the restaurant industry, the total wages of 'Front of the House' staff far exceeds that of those working in the 'Back of the House.' Without a tip credit increase for employers, only 'Front of the House' staff would receive wage increases since they are technically only making minimum wage. This would consequently take away from the ability of an employer to increase the wages for kitchen workers and maintenance, or those who need it most.

"For this reason, I respectfully oppose this measure in its current form. Thank you, Mr. Speaker."

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

"Mr. Speaker, very briefly, my concern with this measure, and I am voting no, is that it goes out all the way to 2017. I don't know what the economy will look like then. I'd rather come back yearly or biannually. Thank you, sir."

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

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

"Mr. Speaker, I rise in support with reservations. My reservations have to do with something not in this bill. It has to do with tip credit. Tip credit applies to only a small number of people in certain businesses and industries. Hawaii's tip credit is the lowest in the nation by far of the states that do have tip credit. Our tip credit is 25 cents. Most states that have tip credits, have tip credits in the range of \$3.00 to \$5.00.

"Now the difference between a 25 cents tip credit in Hawaii and the so-called norm in the \$3.00 to \$5.00 range, is enormous. We have a larger than average number of restaurants that of course have employees that rely on the tip credit. For the most part, increasing the tip credit for certain employees does not affect the work force in general. So for many people, a change in the trip credit would have no effect on them at all. But it would have an effect on restaurants and it would essentially redistribute the wages within the restaurant between the front and the back of the house.

"I think that many of the people working in the back of the house work for much, much less than the people in the front of the house. We've had several people comment in public hearings that it is sometimes very difficult to get the front of the house people, the waiters and the busboys, to leave their jobs and go into management, because the managers are getting less than those who get tips. So with these reservations I am in support. Thank you."

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

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

"In support. I'd like to echo the sentiments of my colleague from Laie, that perhaps this amount doesn't go far enough and maybe the increase should be a little more. Maybe not until 67 hamburgers. Maybe not \$31, but a little more."

Representative Cheape 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. 331, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LABOR," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Fale, Har, McDermott and Tokioka voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1432) recommending that S.B. No. 885, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 885, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

Representative Say rose and asked that the Clerk record an aye vote with reservations for him, 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 Har 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. 885, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Coffman voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1433) recommending that S.B. No. 1036 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1036, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEES' RETIREMENT SYSTEM PERSONNEL," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1434) recommending that S.B. No. 406, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 406, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRAINING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1435) recommending that S.B. No. 409, SD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 409, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MAHINA 'OLELO HAWAI'I," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1436) recommending that S.B. No. 69, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 69, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Third Reading by a vote of 50 ayes to 1 no, with Representative McDermott voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1437) recommending that S.B. No. 71, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 71, SD 2, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PUBLIC SAFETY PROGRAMS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1438) recommending that S.B. No. 680, SD 1, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 680, SD 1, HD 1 pass Third Reading, seconded by Representative Awana.

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

Representative Wooley rose and asked that the Clerk record an aye vote with reservations 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."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 680, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOMELAND SECURITY," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1439) recommending that S.B. No. 693, SD 2, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 693, SD 2, HD 1 pass Third Reading, seconded by Representative Awana.

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

"Thank you very much, Mr. Speaker. In support with reservations. The reservations are just for the matter, the street from my district which is included, while the residents wanted it, it came to our attention that there is no traffic light at that intersection and given that all the CIPs were wiped out in the budget I don't think we're going to be getting one soon. So hopefully they can look at that in conference. Thank you very much."

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

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

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

"In opposition, Mr. Speaker. This matter had been brought forward before and it passed and it was enacted and then we repealed it. Now we're going back again. I know that the people out there in our communities are in strong opposition of this matter. They perceive it as an invasion of privacy. And now we are discussing it again. I think this supplants the interest of the community. We know what their sentiments are and we're slowly giving it back.

"I think this is a waste of time, Mr. Speaker, a waste of resources, and this is not something we should be entertaining. 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. 693, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Cabanilla, Fale, McDermott and Thielen voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1440) recommending that S.B. No. 722, SD 2, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 722, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Third Reading by a vote of 51 ayes.

Representative Evans, for the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 1441) recommending that S.B. No. 454, SD 1, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 454, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER CONSERVATION," passed Third Reading by a vote of 51 ayes.

At 1:28 o'clock p.m., the Chair noted that the following bills passed Third Reading:

S.B. No. 1102
 S.B. No. 305, SD 1, HD 1
 S.B. No. 1112
 S.B. No. 1118, SD 1, HD 1
 S.B. No. 306, SD 1
 S.B. No. 1340, SD 2, HD 2
 S.B. No. 886
 S.B. No. 891
 S.B. No. 331, SD 2, HD 1
 S.B. No. 885, SD 2, HD 1
 S.B. No. 1036
 S.B. No. 406, SD 2, HD 1
 S.B. No. 409, SD 1
 S.B. No. 69, SD 2, HD 1
 S.B. No. 71, SD 2, HD 1
 S.B. No. 680, SD 1, HD 1
 S.B. No. 693, SD 2, HD 1
 S.B. No. 722, SD 2, HD 1
 S.B. No. 454, SD 1, HD 1

Representatives Nakashima and McKelvey, for the Committee on Labor & Public Employment and the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 1442) recommending that S.B. No. 1293, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committees be adopted, and that S.B. No. 1293, SD 1, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Awana.

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

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

"Mr. Speaker, with reservations and a brief comment. Mr. Speaker, on the face of this it doesn't look like a big deal. It only points out the small guys. If you're a sole proprietor, you've got to meet certain standards. This and the previous bills that Speaker Emeritus said 'with reservations,' the

fees, the escrows, the banking institutions. What we're doing is a creeping strangulation of competition.

"Mr. Speaker, I've worked in the UN and I spent a lot of time in Europe because our headquarters when I was in Africa was in Europe. So I learned a lot about entrepreneurship that was going on in Europe because I was doing small business in Africa. What the Europeans have done is lift the threshold for entry into business by regulations, qualifications, fees, dues, insurances and what have you, so only the big guys can make it. This is another one of those. It kind of grieves me that I see these, they pick on the small guys. It makes the big guys with the fees who can afford these things without a problem, and I'm speaking to the other issues that Speaker Emeritus referred to.

"I think we have to keep an open field and an open market, Mr. Speaker, if we're going to be really entrepreneurially sound. To have colleagues like my colleague from Laie bemoaning the fact that, hey if you don't have \$31 an hour you can't even buy a house. We've got a bad economic model, we've got a bad business model in Hawaii. 57% of our people can't afford to send their kids to school without a subsidized lunch. We need to generate jobs and good jobs, Mr. Speaker.

"Every time I see one of these bills it grieves me that, get the small guy, push him down, don't let the sole proprietor become a partnership or corporation and then hire people and become prosperous. We've got to have a mindset that's slightly different from this, Mr. Speaker.

"I'm not speaking from my point of view, I'm speaking from the reputation we have in this nation as anti-business, too regulated, too overly bureaucratic and too much stuffed with our own self. We've lived off our good looks for so long, we've stopped using our brains. I think we've got to get into our brains and stop picking on the small guys like this one does. Thank you for hearing my ventilation. Thank you."

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

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

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

"Mr. Speaker, in opposition. Mr. Speaker, there's a lot of guys, a lot of workers in my community that are trying to get out of poverty. 79.2% of them are on subsidized lunches at the elementary school. A lot of them want work. But the challenges that they face in getting into work that will actually be enough to raise them, their families and their children in the way that they want, Mr. Speaker, it seems to be growing harder and harder every day. They definitely have a huge uphill battle, especially if you're in the situation of poverty, Mr. Speaker, and you're trying to rise out of it. There's roadblock after roadblock after roadblock.

"This, Mr. Speaker, continues to add some of those roadblocks to the members of my community that are trying to better their own lives and the lives for their families by making it that much more difficult to become an entrepreneur, to become an individual who takes the initiative to start their own business, to become their own person and to succeed. For those reasons, Mr. Speaker, I must be opposed to this measure."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and S.B. No. 1293, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Fale and McDermott voting no.

Representative Nakashima, for the Committee on Labor & Public Employment, presented a report (Stand. Com. Rep. No. 1443) recommending that S.B. No. 890, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 890, SD 1, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Awana.

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

Representative Fukumoto 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. 890, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII LABOR RELATIONS BOARD," passed Second Reading and was placed on the calendar for Third Reading.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 1444) recommending that S.B. No. 856, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 856, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOLIDAYS," passed Second Reading and was placed on the calendar for Third Reading.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 1445) recommending that S.B. No. 1079, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1079, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was placed on the calendar for Third Reading.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 1446) recommending that S.B. No. 1020, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1020, SD 1, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Awana.

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

"Mr. Speaker, potential conflict. I run a nonprofit. Thank you," and the Chair ruled, "no conflict."

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

"Same request as the previous speaker. Thank you," and the Chair ruled, "no conflict."

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

"Ruling on a potential conflict of interest. I'm on the board of a nonprofit. 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. 1020, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1447) recommending that S.B. No. 1092, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1092,

SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO RECAPITALIZE THE HURRICANE RESERVE TRUST FUND," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1448) recommending that S.B. No. 1094, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1094, SD 1, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE EMERGENCY AND BUDGET RESERVE FUND," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1449) recommending that S.B. No. 1188, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1188, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTATE AND GENERATION-SKIPPING TRANSFER TAXES," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1450) recommending that S.B. No. 1191, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1191, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BOARDS OF REVIEW," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1451) recommending that S.B. No. 1193, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 1193, SD 1, HD 1 pass Second Reading and be placed on the calendar for Third Reading, seconded by Representative Awana.

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

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

"Mr. Speaker, a no vote and brief comment. Mr. Speaker, this is a bill that says if you consume liquor or food, meat, fish, either traveling away from Hawaii between the islands, or traveling to the mainland, or Japan, or wherever overseas, we no longer are going to exempt you from paying the GE Tax.

"Mr. Speaker, 15 years as a retailer in Waikiki, anytime we had customers come in who ordered something and we sent it to the mainland, i.e. an export, we were exempted from the GE Tax, just like these people here were.

"Mr. Speaker, right now you know how much it costs to get to Maui or the Big Island? It's called one arm and one leg. Mr. Speaker, this is going to take the airlines, our local airlines, and say all of these exemptions for the food you serve is no longer going to be exempt. I don't think we need the price of air travel to go up. We're in the middle of the Pacific, we need to keep people able to travel. And this small exemption, and I know a couple of years ago we exempted everybody and their uncle, well we took away exemptions. But we're still on that exemption pull-away, and I think

this is a cruel and unusual one because it's going to affect a lot of our neighbor island people.

"For those reasons, Mr. Speaker, this is nothing but a money grab, and I see comes out of 'by request,' the Governor's office, interesting. Thank you, Mr. Speaker."

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

"Mr. Speaker, in opposition, brief comment. Mr. Speaker, I live in the Koolauloa community, which is actually shrinking in population. And that has largely to do, Mr. Speaker, with Hawaii's number one export which is our young people. There are more and more people moving into my community, the millionaires from the mainland, millionaires from Europe, who spend a couple weeks of the year in my community before they spend the rest of the time elsewhere. We make it more and more expensive and push the hope of owning a home farther and farther out of the reach of young people. We make it more difficult and more expensive to own condominiums, now.

"Mr. Speaker, this bill to me seems like we're trying to squeeze the last few pennies out of the young people who may find themselves in a position where they have to leave the State of Hawaii to find a life for themselves elsewhere. For that, Mr. Speaker, making the cost of travel both to and from the State of Hawaii, I think is a bad idea. Especially for those reasons where the people that I hope to make life a little bit better for, our working families, our elderly, Mr. Speaker, I think this bill does not assist them. So for those reasons, Mr. Speaker, I must be opposed."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1193, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 237-24.3, HAWAII REVISED STATUTES," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Fale, McDermott and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1452) recommending that S.B. No. 1197, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1197, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TAXATION SPECIAL ENFORCEMENT SECTION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1453) recommending that S.B. No. 1206, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1206, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAX COLLECTION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 1454) recommending that S.B. No. 1360, SD 1, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 1360, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Second Reading and was placed on the calendar for Third Reading.

Representative Yamane, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 1455) recommending that S.B. No. 479,

SD 2 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 479, SD 2, entitled: "A BILL FOR AN ACT RELATING TO THE MEMBERSHIP OF A METROPOLITAN PLANNING ORGANIZATION," passed Second Reading and was placed on the calendar for Third Reading.

Representative Evans, for the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 1456) recommending that H.R. No. 73, HD 1, as amended in HD 2, be adopted.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.R. No. 73, HD 2, entitled: "HOUSE RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE TO WORK WITH AFFECTED PERSONS AND COUNTIES IN ESTABLISHING CRITICAL HABITAT DESIGNATIONS FOR ENDANGERED SPECIES IN THE STATE," was adopted.

Representative Evans, for the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 1457) recommending that H.C.R. No. 96, HD 1, as amended in HD 2, be adopted.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.C.R. No. 96, HD 2, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE TO WORK WITH AFFECTED PERSONS AND COUNTIES IN ESTABLISHING CRITICAL HABITAT DESIGNATIONS FOR ENDANGERED SPECIES IN THE STATE," was adopted.

THIRD READING

S.B. No. 827, SD 1, HD 1:

Representative Saiki moved that S.B. No. 827, SD 1, HD 1 pass Third Reading, seconded by Representative Awana.

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

"Thank you, Mr. Speaker. Strong support and I just would like to enter written comments into the Journal. Thank you."

Representative McKelvey's written remarks are as follows:

"Lapses in election law produce unforeseen consequences. While I hold all of my colleagues in the highest esteem, the possibility of a single unscrupulous candidate tarnishing the integrity of our state's system of representative government is at present an unfortunate reality.

"The State Legislature must be vigilant in providing adequate safeguards to preserve the integrity of each and every ballot. Any candidate handling or in possession of another person's voter registration ballot raises serious concerns to me regardless of the situation. The public eye has grown tremendously with the popularity of social media and camera phones and any situation with a candidate handling another person's ballot will have disastrous effect. For this reason I fully concur with the penalties proposed in this bill. This measure protects all voters, especially our *kupuna* and disabled who are the most susceptible in these scenarios. Finally, this bill ensures that everyone's perspectives, experiences and interests are accurately voiced in the electoral process."

The motion was put to vote by the Chair and carried, and S.B. No. 827, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTION OFFENSES," passed Third Reading by a vote of 51 ayes.

At 1:42 o'clock p.m., the Chair noted that the following bill passed Third Reading:

S.B. No. 827, SD 1, HD 1

ANNOUNCEMENTS

Representative Thielen: "Thank you. Mr. Speaker, I bet you know what I'm going to announce. Tomorrow is the 14th Annual Hemp Aloha Friday, and if Members would wear natural fiber shirts or dresses or muumuus. It's in honor of Earth Day too, in advance. Thank you."

Representative Nishimoto, for the Committee on Finance, requested a waiver of the 48-hour advanced notice requirement for the purpose of hearing the following measures today, April 4, 2013, at 2:17 p.m. in Conference Room 308, and the Chair "so ordered."

- Senate Bill 82, Relating to the Hawaii Public Housing Authority;
- Senate Bill 665, Relating to Health;
- Senate Bill 666, Relating to Health;
- Senate Bill 803, Relating to Water; and
- Senate Bill 1265, Relating to Contracts.

Representative Awana: "Mr. Speaker, I'd just like to request a moment of silence. Earlier this morning Representative McDermott and I attended a breakfast event where we heard some saddening news. For those who graduated from the University of Hawaii, William Richardson School of Law, you may have known or at least known of this man.

"He was also the founder of the Pacific Asian Affairs Council that has introduced thousands of high school students to the world of international affairs. He served as the Honolulu Academy of Arts trustee, Pacific Forum advisor, a member of the esteemed Consular Corp, and a Hawaii philanthropist.

"Frank Boas passed away a few weeks ago and at the appropriate time I'd like to request a moment of silence in reverence of his passing."

At this time, the Members of the House of Representatives stood for a moment of silence in honor of the late Mr. Frank Boas.

COMMITTEE REASSIGNMENTS

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

<u>H.R.</u> <u>No.</u>	<u>Re-referred to:</u>
136	Committee on Finance

<u>H.C.R.</u> <u>No.</u>	<u>Re-referred to:</u>
168	Committee on Finance

ADJOURNMENT

At 1:45 o'clock p.m., on motion by Representative Awana, seconded by Representative Fukumoto and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Friday, April 5, 2013. (Representatives Lee and Wooley were excused.)

HOUSE COMMUNICATIONS

House Communication dated April 4, 2013, from Brian L. Takeshita, Chief Clerk of the House of Representatives, to the Honorable President

and Members of the Senate, informing the Senate that the House has disagreed to the amendments made by the Senate to the following measures:

H.B. No. 178, HD 1, SD 1
H.B. No. 224, HD 3, SD 2
H.B. No. 407, HD 2, SD 2
H.B. No. 424, HD 1, SD 2
H.B. No. 504, HD 1, SD 1
H.B. No. 519, HD 1, SD 1
H.B. No. 653, SD 1
H.B. No. 880, HD 2, SD 2
H.B. No. 929, SD 1
H.B. No. 1375, SD 2

"April 4, 2013

The Honorable Neil Abercrombie
Governor of the State of Hawaii
State Capitol
Honolulu, Hawaii 96813

Dear Governor Abercrombie:

In accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form of the following Senate Bill, of which a copy is attached hereto:

S.B. No. 886, entitled:

"PROPOSING AN AMENDMENT TO ARTICLE VI, SECTION 3, OF THE HAWAII STATE CONSTITUTION TO INCREASE THE MANDATORY RETIREMENT AGE FOR STATE JUSTICES AND JUDGES."

Said measure passed Third Reading in the House of Representatives on this date.

Respectfully,
/s/ Brian L. Takeshita
BRIAN L. TAKESHITA
Chief Clerk

Enclosures

CC: Carol Taniguchi, Clerk of the Senate
Scott Nago, Chief Election Officer"