

SCRep. 1 Finance on H.B. No. 26

The purpose of this measure is to appropriate funds for the legislative branch of the State. Specifically, this bill:

- (1) Appropriates \$7,464,744 to the Senate;
- (2) Appropriates \$10,569,287 to the House of Representatives;
- (3) Appropriates \$2,663,849 to the Office of the Auditor;
- (4) Appropriates \$2,550,828 for deposit into the Audit Revolving Fund;
- (5) Appropriates \$6,000,000 from the Audit Revolving Fund to the Office of the Auditor to conduct or complete its audit functions;
- (6) Appropriates \$2,983,970 to the Legislative Reference Bureau;
- (7) Appropriates \$1,017,875 to the Office of the Ombudsman; and
- (8) Appropriates \$849,531 to the State Ethics Commission.

The House Clerk's Office, the Legislative Reference Bureau, the Office of the Auditor, the Office of the Ombudsman, and the Hawaii State Ethics Commission provided comments.

Your Committee has amended this bill by:

- (1) Increasing the appropriation to the Office of the Auditor to \$2,823,849, including increasing the amount for defraying expenses during fiscal year 2013-2014 to \$2,673,849;
- (2) Increasing the appropriation to the Legislative Reference Bureau to \$3,116,038;
- (3) Increasing the appropriation to the Office of the Ombudsman to \$1,130,728; and
- (4) Increasing the appropriation to the Hawaii State Ethics Commission to \$909,531.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 26, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 26, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 2 Water & Land on H.B. No. 215

The purpose of this measure is to make permanent certain limits on liability of the State and the counties by repealing the sunset dates on:

- (1) Act 82, Session Laws of Hawaii 2003, as amended, which limits the State's and the counties' liability arising from inherent risks on public lands; provided that the State or county posts adequate warning; and
- (2) Act 170, Session Laws of Hawaii 2002, as amended, which limits the liability of the State, the counties, and individual lifeguards for civil damages incurred in the performance of lifeguard services in the scope of employment of a lifeguard.

The City and County of Honolulu Department of the Corporation Counsel, City and County of Honolulu Emergency Services Department, Hawai'i State Association of Counties, a member of the Hawaii County Council, a member of the Maui County Council, State Fire Council, Hawai'i Fire Department, Hawaiian Lifeguard Association, Department of Labor and Industrial Relations, and the Department of Land and Natural Resources submitted testimony in support of this measure. Hawaii Association for Justice submitted testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 215 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Coffman and Lee.

SCRep. 3 Water & Land on H.B. No. 941

The purpose of this measure is to amend the composition of the Natural Area Reserves System Commission by adding a member possessing a background in native Hawaiian traditional and customary practices and removing the Superintendent of Education as a member.

The Department of Land and Natural Resources and the administration of the Office of Hawaiian Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 941 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee.

SCRep. 4 Water & Land on H.B. No. 111

The purpose of this measure is permit the development of sustainable living research sites that shall be exempt from certain state and county regulations but subject to county approval and oversight in order to stimulate research and development of sustainable living ideas, concepts, and innovations.

Seventy-six testifiers testified in support of this measure. One individual testified in opposition to this measure. Three individuals presented comments.

Your Committee has amended this measure by:

- (1) Adding language to the purpose section to clarify that the purpose of this measure is to further the five principles of the Hawaii 2050 Sustainability Plan created by the Hawaii 2050 Task Force pursuant to Act 8, Special Session Laws of Hawaii 2005; and
- (2) Making technical, nonsubstantive changes for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 111, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 111, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Coffman and Lee.

SCRep. 5 Water & Land on H.B. No. 17

The purpose of this measure is to protect public access by making permanent the Department of Land and Natural Resources' authority to require that owners of abutting private property maintain beach transit corridors free from interfering or encroaching vegetation and to enforce penalties for noncompliance.

Testimony in support of this measure was submitted by the Kailua Neighborhood Board; Life of the Land; Sierra Club of Hawai'i; Hawaii's Thousand Friends; the Office of Planning of the Department of Business, Economic Development, and Tourism; the Department of Land and Natural Resources; and three individuals. The Land Use Research Foundation of Hawaii submitted testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 17 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Coffman and Lee.

SCRep. 6 Water & Land on H.B. No. 423

The purpose of this measure is to repeal the sunset date of Act 120, Session Laws of Hawaii 2009, which requires transactions regarding fee simple interests in time shares to be recorded in the Bureau of Conveyances and provides a mechanism for transferring the registration from the Land Court System to the Bureau of Conveyances.

The Department of Land and Natural Resources, Wyndham Vacation Ownership, the American Resort Development Association, and SVO Pacific, Inc., provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 423 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 7 Housing on H.B. No. 87

The purpose of this measure is to broaden criminal trespass in the first degree to include a person who enters or remains unlawfully in or upon the premises of a public housing project after a reasonable request or warning to leave by housing authorities or a police officer, and exempts an invited guest who is not in violation of any law or public housing project rule.

The Hawaii Public Housing Authority and an individual testified in support of this measure. The American Civil Liberties Union of Hawaii opposed this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 87 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 8 Housing on H.B. No. 402

The purpose of this measure, as received by your Committee, is to permit the installation and use of clotheslines in any public housing project or state low-income housing project, subject to rules adopted by the Hawaii Public Housing Authority (HPHA).

The League of Women Voters of Hawaii, Westside Service Provider Network, and an individual testified in support of this measure. HPHA opposed this measure.

Your Committee noted HPHA's comments that many public housing projects and state low-income housing projects currently allow and have installed clotheslines where there is adequate space and where appropriate. However, your Committee is aware that not all of these properties permit the installation of clotheslines, and believes that the cost-efficiencies and environmental benefits of installing clotheslines in all public housing projects merit further consideration.

As such, your Committee has amended this bill by:

- (1) Deleting provisions mandating that clotheslines be permitted in any public housing and state low-income housing projects in the State; and
- (2) Requiring HPHA, in conjunction with the United States Department of Housing and Urban Development, to:
 - (A) Conduct a study on the feasibility of installing clotheslines in all public housing and state low-income housing projects in the State; and
 - (B) Submit a report of its findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2014.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 402, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 402, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 9 Housing on H.B. No. 521

The purpose of this measure is to finance affordable rental housing developments by authorizing the issuance of general obligation bonds in an unspecified amount and appropriating the amount into the Rental Housing Trust Fund.

Hawaii Housing Finance and Development Corporation, Hawaii Association of REALTORS, Catholic Charities of Hawaii, Hawaii Appleseed Center for Law and Economic Justice, and League of Women Voters of Hawaii testified in support of this measure. The Department of Budget and Finance and several individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 521 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 10 Housing on H.B. No. 536

The purpose of this measure is to disqualify from state low-income housing any applicant or tenant if the applicant, tenant, or a household member owns or acquires a home within the State.

The Hawaii Public Housing Authority testified in support of this measure. An individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 536 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 11 Housing on H.B. No. 514

The purpose of this measure is to move the State income tax and obligations exemption for public housing agencies from the laws governing the Hawaii Housing Finance and Development Corporation to the laws governing the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority and Department of Human Services testified in support of this measure. The Tax Foundation of Hawaii and an individual provided comments on this measure.

After careful consideration, your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 514, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 514, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 12 Housing on H.B. No. 532

The purpose of this measure is to require the Hawaii Public Housing Authority (HPHA) to include, subject to any limitations set by federal laws or regulations, the value of all motor vehicles registered to all tenants in a dwelling unit as an asset in the calculation for the established maximum limits of annual net income and assets for state low-income housing.

HPHA and two individuals commented on this measure.

Your Committee has amended this measure by requiring HPHA to establish a threshold amount for the value of all registered motor vehicles of all tenants of a dwelling unit, which is to be excluded from the calculation in determining whether the tenants' annual net income and assets are within established maximum limits.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 532, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 532, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 13 Housing on H.B. No. 276

The purpose of this measure is to address the affordable rental housing needs of Hawaii's aging population by authorizing the issuance of general obligation bonds and making an appropriation for the construction of the Senior Residence at Piikoi, Oahu.

The Department of Community Services of the City and County of Honolulu, Alexander & Baldwin, Inc., Pacific Housing Assistance Corporation, and two individuals testified in support of this measure. The Hawaii Housing Finance and Development Corporation and two individuals commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 276, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 276, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 14 Water & Land on H.B. No. 414

The purpose of this measure is to provide for the stewardship and maintenance of Waipio Valley on Hawaii Island by:

- (1) Establishing the Waipio Valley Advisory Commission, to be chaired by the Chairperson of the Board of Land and Natural Resources, to advise the Department of Land and Natural Resources on the development of a long term plan for ensuring the proper stewardship and maintenance of Waipio Valley; and
- (2) Directing the Department of Land and Natural Resources to conduct a flood study for Waipio Valley and submit a report of the study, including recommendations and proposed legislation, to the 2014 Legislature.

The Department of Land and Natural Resources submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion on this matter; and
- (2) Making a technical, nonsubstantive amendment to correct a spelling error.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 414, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 414, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Coffman voted no.)

SCRep. 15 Water & Land on H.B. No. 561

The purpose of this measure is to establish a Watershed Initiatives Program within the Department of Land and Natural Resources that shall plan, monitor, and execute watershed protection initiatives.

The Sierra Club Hawaii Chapter provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in

accord with the intent and purpose of H.B. No. 561 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 16 Water & Land on H.B. No. 935

The purpose of this measure is to protect Hawaii's forest watersheds by increasing the conveyance tax on certain real estate transactions and reallocating the distribution of conveyance tax proceeds to the Natural Area Reserve Fund for watershed protection and invasive species control and to the Rental Housing Trust Fund.

The Department of Land and Natural Resources; Office of Hawaiian Affairs; Sierra Club, Hawaii Chapter; Partners in Care; Maui Invasive Species Committee; The Nature Conservancy of Hawai'i; Conservation Council for Hawai'i; Coordinating Group on Alien Pest Species; The Trust for Public Land; and two individuals submitted testimony in support of this measure. The Hawai'i Association of REALTORS and The Chamber of Commerce of Hawaii submitted testimony in opposition to this measure. Hawai'i Appleseed Center for Law and Economic Justice and Catholic Charities Hawai'i submitted comments.

Your Committee has amended this measure by:

- (1) Inserting unspecified amounts for the conveyance tax imposed on real property transactions for properties valued at \$2,000,000 or more;
- (2) Inserting unspecified amounts for the percentage of conveyance tax proceeds to be allocated to the Rental Housing Trust Fund and Natural Area Reserve Fund, respectively;
- (3) Providing that the amendments relating to the amount and allocation percentage of the conveyance tax shall be repealed on June 30, 2016; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 935, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 935, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee.

SCRep. 17 Housing on H.B. No. 530

The purpose of this measure is to designate November as "Homelessness Awareness Month" to promote public awareness of homelessness as a significant problem.

Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, Waianae Civic Center, and several individuals testified in support of this measure. The Department of Human Services provided comments.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 530 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.

SCRep. 18 Human Services/Housing on H.B. No. 519

The purpose of this measure is to provide housing and support services for chronically homeless individuals by appropriating \$1,000,000 for each year of fiscal biennium 2013-2015 to the Housing First Special Fund to continue the housing first programs.

Catholic Charities Hawai'i, The Community Alliance for Mental Health, Hawai'i Appleseed Center for Law and Economic Justice, Partners in Care, and a concerned individual testified in support. The Department of Human Services and a concerned individual provided comments.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 519 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 19 Higher Education on H.B. No. 114

The purpose of this bill is to effectuate its title.

H.B. No. 114 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the action to report out H.B. No. 114, as amended herein, and recommends that it be recommitted to the Committee on Higher Education, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 114, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 20 Health on H.B. No. 379

The purpose of this measure is to appropriate funds to establish a twenty-four-hour, seven-days-a-week special emergency medical response vehicle unit based in Maalaea, Maui, including for the acquisition of a vehicle, purchase of equipment, and personnel costs for staffing by a paramedic trained in advanced life support.

The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Changing references to "paramedic trained in advanced life support" to "state-licensed paramedic";
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 379, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 379, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 21 Health on H.B. No. 362

The purpose of this measure is to assist the City and County of Honolulu Emergency Medical Services Division with expanding emergency medical services and ambulance services in Ewa Beach by appropriating funds for increasing the on-call availability of such services in Ewa Beach to 24 hours per day.

United Public Workers, AFSCME, Local 646, AFL-CIO, Queen's Medical Center, and two concerned individuals testified in support of this measure. The Department of Health submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 362, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 362, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 22 Health on H.B. No. 376

The purpose of this measure is to require club card issuers to inform their cardholders by email, text message, telephone, or regular mail in the event of a class I recall of any food, product, or merchandise sold by the club card issuer.

The Department of Health, Center for Science in the Public Interest, and an individual supported this measure. The Hawaii Food Industry Association and Retail Merchants of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purpose of correcting a reference to federal law.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 376, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 376, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 23 Judiciary on H.B. No. 208

The purpose of this measure is to ensure transparency in government by amending the disclosure requirements for lobbyists to impose absolute liability for the failure to file a statement or report required by law or for the inclusion of false information or material omission of any fact in a statement or report.

The Hawaii State Ethics Commission, Americans for Democratic Action/Hawaii, and Common Cause Hawaii testified in support of this measure.

Your Committee has amended this bill by:

- (1) Clarifying that the negligent filing of a required statement or report with the State Ethics Commission that includes false information or a material omission of any fact will subject a lobbyist to penalties; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 208, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 208, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 24 Human Services on H.B. No. 131

The purpose of this measure is to establish a Task Force on Mobility Management within the Department of Health to make recommendations on establishing a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities.

The County of Hawaii Office of Aging supported this measure. The Executive Office on Aging supported the intent of the measure. Catholic Charities Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 131 and recommends that it pass Second Reading and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representative Belatti.

SCRep. 25 Human Services on H.B. No. 395

The purpose of this measure is to address the need for access to safe places by youth in the State by:

- (1) Requiring the Office of Youth Services to coordinate a two-year Safe Places for Youth Pilot Program in partnership with private organizations, to coordinate a network that youth may access for safety and where they may obtain advice, guidance, programs, and services;
- (2) Establishing a Safe Places for Youth Pilot Program Coordinator position to, among other things, coordinate the safe places for youth network;
- (3) Providing access to and linkage with services and programs needed by youth under the Pilot Program; and
- (4) Appropriating funds for the Safe Places for Youth Pilot Program Coordinator position and residential options for the Pilot Program.

The Department of Education, Hawaii Youth Services Network, Community Alliance for Mental Health, and Planned Parenthood of Hawaii testified in support of this measure. The Office of Youth Services supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of the appropriation to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 395, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 395, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Belatti.

SCRep. 26 Human Services on H.B. No. 570

The purpose of this measure is to increase the fine against unlicensed contractors who commit licensing violations against elderly persons.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Subcontractors Association of Hawaii testified in support of this measure. The Contractors License Board provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 570 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 27 Human Services on H.B. No. 868

The purpose of this measure is to disregard the \$5,000 asset limit and the value of any vehicles in determining the needs of households with minor children applying for public assistance from the Department of Human Services.

The Department of Human Services, Office of Community Services, the Office of Hawaiian Affairs, the Hawaii State Commission on the Status of Women, the Hawaii Alliance for Community-Based Economic Development, the Legal Aid Society of Hawaii, Goodwill Industries of Hawaii, Inc., Hawaii Appleseed Center for Law and Economic Justice, Hawaii Women's Coalition, Community Alliance for Mental Health, and two individuals submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 868 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 28 Human Services on H.B. No. 873

The purpose of this measure is to establish a new Young Adult Voluntary Foster Care Program to care for and supervise foster youth in the transition to adulthood by extending services past their 18th birthday until their 21st birthday.

The Department of Human Services, the Judiciary, Hawaii State Commission on the Status of Women, the Legal Aid Society of Hawaii, Hawaii Youth Services Network, 'Imi 'Ike Learning Centers, Olomea, Hale Kipa, Family Programs Hawaii, Hawaii Youth Opportunities Initiative- Epic Ohana, Inc., and numerous individuals submitted testimony in support of the measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 873 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 29 Human Services on H.B. No. 875

The purpose of this measure is to exempt a child care program from licensing by the Department of Human Services if the child care program is licensed or certified by:

- (1) The United States Department of Defense and located on federal property; or
- (2) The Hawaii Council of Private Schools and the Department of Human Services determines that the applicable licensing standards meet or exceed the Department of Human Services' standards.

This measure also repeals licensing exemptions for child care programs licensed by the Charter School Review Panel and other federal agencies.

The Department of Human Services and the Executive Office on Early Learning testified in support of this measure. The Hawaii Association for the Education of Young Children testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 875 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 30 Human Services on H.B. No. 876

The purpose of this measure is to restore the second deputy director position for the Department of Human Services that was removed by Act 223, Session Laws of Hawaii 1994.

The Department of Human Services and Department of Human Resources and Development testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 876 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 31 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 196

The purpose of this measure is to recognize the unique needs of veterans entering the criminal justice system with mental illness and substance abuse issues arising from their service to our country by working towards establishing a veteran's treatment court in the First Circuit. Specifically, this measure authorizes the establishment of and provides funding for:

- (1) A permanent, full-time, Social Worker IV position in the Judiciary;
- (2) A permanent, full-time, deputy public defender position in the Office of the Public Defender; and
- (3) Two temporary, full-time, deputy prosecuting attorney positions within the Department of the Prosecuting Attorney of the City and County of Honolulu, through a Grant-in-Aid.

The Judiciary, The Chamber of Commerce of Hawaii, and Oahu Veterans Council testified in support of this bill. The State Office of Veterans Services testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 196 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 32 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 158

The purpose of this measure is to assist members of the Hawaii National Guard to further their education and achieve a higher education degree by broadening the scope of the Hawaii National Guard's tuition assistance program (Program). Specifically, this bill:

- (1) Expands the Program to include any officers of the Hawaii National Guard regardless of grade;
- (2) Clarifies that any Hawaii National Guard member who is a student working towards a degree on any campus of the University of Hawaii is eligible for tuition assistance, not just undergraduate students;
- (3) Provides priority consideration for tuition assistance for Hawaii National Guard members who are working toward an undergraduate degree; and
- (4) Appropriates funds to provide tuition assistance to qualified members of the Hawaii National Guard.

The State of Hawaii Department of Defense, University of Hawaii, and Oahu Veterans Council testified in support of this bill.

Your Committee has amended this measure by:

- (1) Specifying that officers of grades 0-1 through 0-5 are eligible for the Program;
- (2) Providing that priority consideration for tuition assistance for Hawaii National Guard members should also be given to members who are working toward an associate's, as well as undergraduate, degree;
- (3) Removing the appropriations for the Program; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 158, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 158, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Brower.

SCRep. 33 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 799

The purpose of this measure is to improve Hawaii's economy and continue to build the State's local film, television, and digital media industries and encourage their growth by providing enhanced incentives to attract more film, television, and digital media productions to Hawaii. Among other things, this measure:

- (1) Renames the Motion Picture, Digital Media, and Film Production Income Tax Credit to include Television;
- (2) Increases the total amount of tax credits allowed per qualified production under the Motion Picture, Television, Digital Media, and Film Production Income Tax Credit from \$8,000,000 to \$12,000,000;
- (3) Repeals the Internet-only distribution exclusion for advertising contained in the Motion Picture, Television, Digital Media, and Film Production Income Tax Credit;

- (4) Clarifies the definition of "qualified production costs" to exclude state and county facility and location fees that are not subject to Hawaii general excise tax or State income tax;
- (5) Extends the sunset date for the Motion Picture, Television, Digital Media, and Film Production Income Tax Credit to January 1, 2025; and
- (6) Requires the Department of Taxation to submit an annual report to the Legislature, beginning with the 2014 Regular Session, containing a cost-benefit analysis of the tax credits provided for in this measure.

The Department of Business, Economic Development, and Tourism and Department of Taxation testified in support of this bill. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Changing the increase in the total amount of tax credits allowed per qualified production under the Motion Picture, Television, Digital Media, and Film Production Income Tax Credit to an unspecified amount;
- (2) Requiring the Department of Business, Economic Development, and Tourism rather than the Department of Taxation to submit the annual report to the Legislature containing a cost-benefit analysis of the tax credits;
- (3) Clarifying that the report shall be on the entire Motion Picture, Television, Digital Media, and Film Production Income Tax Credit and not just the tax credits contained in this measure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that it is the intent of your Committee that the total amount of tax credits allowed per qualified production under the Motion Picture, Television, Digital Media, and Film Production Income Tax Credit should be increased and respectfully requests that the Committee on Finance look at this matter further to determine the appropriate amount of this increase.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 799, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee.

SCRep. 34 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 576

The purpose of this measure is to find innovative ways to fund capital improvement projects of the Hawaii Health Systems Corporation by taking advantage of loans provided under the Immigrant Investor Pilot Program of the Immigration and Nationality Act, also known as EB-5 loans. Specifically, this measure:

- (1) Allows the Hawaii Health Systems Corporation to obtain a loan from a foreign national under the EB-5 program to fund a project of the Corporation;
- (2) Requires the Corporation to obtain the written approval of the Governor before executing any agreement to obtain an EB-5 loan;
- (3) Stipulates that the Corporation only expend the proceeds of an EB-5 loan for a project if the Legislature has made an appropriation of funds in the amount of the loan for that project; and
- (4) Requires the Corporation to request the amount necessary to repay the EB-5 loan in its annual budget submitted to the Governor.

The Hawaiian Islands Regional Center, LLC testified in support of this bill. Hawaii Health Systems Corporation provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 576, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 576, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee.

SCRep. 35 Water & Land on H.B. No. 625

The purpose of this measure is to apply limits on landowner liability under the State's landowners' liability law, chapter 520, Hawaii Revised Statutes, to land owned by the government.

The Department of Land and Natural Resources and numerous individuals, including several hundred signatories of a petition in support, testified in support of this measure. The Hawaii Association for Justice testified in opposition to this measure.

Your Committee finds that this measure seeks to clarify that no public employee or entity shall be liable to any person for injury or damage sustained in the course of mountain climbing, rock climbing, rappelling, or bouldering on government land. Your Committee supports the intent of this

measure and recommends that it advance through the legislative process. Your Committee respectfully requests that your Committee on Judiciary consider this measure to determine the appropriate method of establishing limits on State liability.

Your Committee has amended this measure by:

- (1) Adding a new section to specify that no public entity or public employee shall be liable under the State Tort Liability Act, chapter 662, Hawaii Revised Statutes, to any person for injury or damages sustained on government land when engaged in mountain climbing, rock climbing, rappelling, and bouldering; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 625, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 625, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 36 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 20

The purpose of this measure is to appropriate funds for the employment of lifeguards, including salaries and benefits, at Kua Bay, Kekaha Kai state park on the island of Hawaii.

The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 20 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 37 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 109

The purpose of this measure is to fully comport with the intent and purpose of the State Constitution by:

- (1) Designating the month of February as "Olelo Hawaii Month" to celebrate and encourage the use of the Hawaiian language;
- (2) Requiring that all letterheads, documents, symbols, and emblems of the State and its political subdivisions include accurate, appropriate, and authentic Hawaiian names and words; and
- (3) Establishing references for accurate, appropriate, and authentic Hawaiian names and words, including proper spelling and punctuation.

The Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure. The Department of the Attorney General and the Legislative Reference Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the provisions establishing February as "Olelo Hawaii Month" to celebrate and encourage the use of the Hawaiian language; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 109, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 109, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 38 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 175

The purpose of this measure is to:

- (1) Provide that \$10,000,000 from the Public Land Trust shall be expended by the Department of Hawaiian Home Lands for the development of farm and home ownership; and
- (2) Require certain specified departments and agencies that collect revenue from the lands or use of the lands within the Public Land Trust to transfer \$2,500,000 in the aggregate, quarterly, to the Department of Hawaiian Home Lands.

The Association of Hawaiian Civic Clubs, Kuakini Hawaiian Civic Club of Kona, and an individual provided testimony in support of this measure. The Office of Hawaiian Affairs, the Department of Hawaiian Home Lands, the Department of Land and Natural Resources, and the Department of Transportation provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 175, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 175, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 39 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 218

The purpose of this measure is to enhance the Corrections Population Management Commission's capacity to examine the issue of the disproportionate number of Native Hawaiians in the criminal justice system by:

- (1) Adding two new members; and
- (2) Specifying the background and appointment process for the additional public member.

The Office of Hawaiian Affairs, the Department of Public Safety, the Department of Hawaiian Home Lands, the Association of Hawaiian Civic Clubs, the Community Alliance on Prisons, the National Association of Reformed Offenders, Ali'i Pauahi Hawaiian Civic Club, and a few individuals provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 218, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 218, H.D. 1, and be referred to the Committee on Public Safety.

Signed by all members of the Committee.

SCRep. 40 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 220

The purpose of this measure is to:

- (1) Require the Office of Hawaiian Affairs to establish, design, and administer a training course on native Hawaiian and Hawaiian rights and the public trust;
- (2) Require members of appropriate state councils, boards, and commissions to take the training course; and
- (3) Allow other state or county officers, representatives, or employees to request to enroll in the training course.

The Office of Hawaiian Affairs, the Department of Hawaiian Home Lands, the Association of Hawaiian Civic Clubs, Koolaupoko Hawaiian Civic Club, Na Koa Ikaika, Alii Pauahi Hawaiian Civic Club, Kuakini Hawaiian Civic Club of Kona, and several concerned individuals testified in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 220, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 220, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 41 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 223

The purpose of this measure is to designate the month of February as "Ōlelo Hawai'i Month" to celebrate and encourage the use of the Hawaiian language.

The Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, the Ali'i Pauahi Hawaiian Civic Club, the Kuakini Hawaiian Civic Club of Kona, the Oahu Island Burial Council, and one individual testified in support of this measure. One individual submitted comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments to its English language sections for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 223, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 223, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 42 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 222

The purpose of this measure is to appropriate funds for the Office of Hawaiian Affairs for the fiscal biennium beginning July 1, 2013, and ending June 30, 2015.

The Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, the Ko‘olaupoko Hawaiian Civic Club, and the Ali‘i Pauahi Civic Club testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 222, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 222, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 43 Judiciary on H.B. No. 32

The purpose of this measure is to ensure fairness in the election process by requiring the Chief Election Officer to establish a procedure to select a letter of the alphabet by lot and to arrange candidate names on ballots in alphabetical order beginning with the letter chosen by lot.

The Office of Elections, Office of the County Clerk of the County of Kauai, and Office of the County Clerk of the County of Maui provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 32 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 44 Judiciary on H.B. No. 33

The purpose of this measure is to make permanent the prohibition against urinating or defecating in public within the boundaries of downtown Honolulu.

The Honolulu Police Department testified in support of this bill. The Office of the Public Defender and the American Civil Liberties Union of Hawaii opposed the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 33 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 45 Judiciary on H.B. No. 147

The purpose of this measure to improve public safety by expanding the offenses of terroristic threatening in the first degree and robbery in the first degree to include the use of a simulated firearm.

The Department of the Prosecuting Attorney of the City and County of Honolulu and the Honolulu Police Department testified in support of this measure. The Office of the Public Defender and one concerned citizen testified in opposition to this bill. The Hawaii Rifle Association and two concerned citizens provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 147 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.
(Representative McDermott voted no.)

SCRep. 46 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 170

The purpose of this measure is to recognize the sacrifices made by members of the armed services by exempting certain totally and permanently disabled veterans from paying motor vehicle registration expenses.

The Oahu Veterans Council testified in support of this measure. The State Office of Veterans Services, City and County of Honolulu, County of Hawaii, County of Maui, and County of Kauai testified in support of the intent of this measure. The Department of Transportation testified in opposition to this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Placing the exemption from motor vehicle registration fees in a more appropriate chapter of the Hawaii Revised Statutes;

- (2) Clarifying that the exemption applies only to the state motor vehicle registration fee;
- (3) Specifying that the exemption from the state motor vehicle registration fee does not apply to:
 - (A) Vehicles used for commercial purposes; or
 - (B) More than one vehicle of the disabled veteran;
- (4) Clarifying that a veteran must be other than dishonorably discharged from the uniformed armed forces to qualify for the exemption rather than simply honorably discharged; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 170, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 170, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee.

SCRep. 47 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 159

The purpose of this measure is to support family members of military personnel totally disabled or killed while serving their country. Specifically, this bill requires the Board of Regents of the University of Hawaii to waive the tuition fee and any other fees for a qualified student who is a child or spouse of such personnel.

The State Department of Defense, Oahu Veterans Council, and numerous concerned individuals testified in support of this bill. The State Office of Veterans Services, University of Hawaii, and The Chamber of Commerce of Hawaii testified in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Stipulating that a child or spouse must be a resident of the State to receive the waiver of the tuition and fees; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 159, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 159, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Brower.

SCRep. 48 Higher Education on H.B. No. 1146

The purpose of this measure is to help improve working conditions for graduate students within the University of Hawaii system by removing graduate students employed by the University from the list of state employees statutorily barred from inclusion in any appropriate collective bargaining unit.

The Hawaii Government Employees Association; Board of Directors of the University of Hawaii Professional Assembly; Pride At Work Hawai'i; and numerous concerned individuals supported this measure. A concerned individual opposed this measure. The University of Hawaii System provided comments.

Your Committee notes legal concerns regarding student help raised by the University of Hawaii in its testimony and respectfully requests the Committee on Labor & Public Employment to consider such issues should the Committee choose to hear this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1146, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1146, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 49 Health on H.B. No. 877

The purpose of this measure is to improve the effectiveness of the Hawaii Health Connector Board of Directors (Board) by authorizing the executive department directors who are ex-officio voting members of the Board to select designees to serve on behalf of the directors at specified board meetings.

The Office of the Governor, Department of Commerce and Consumer Affairs, Department of Health, Department of Human Services, and Department of Labor and Industrial Relations testified in support of this measure. The Hawaii Primary Care Association supported the intent of this measure. The Hawaii Health Connector provided comments.

Your Committee finds that Act 205, Session Laws of Hawaii 2011, established the Hawaii Health Connector as an independent nonprofit entity to fulfill the State's obligation to provide a health insurance exchange under the federal Patient Protection and Affordable Care Act. The Hawaii Health Connector is governed by a fifteen-member Board of Directors that includes the directors of Commerce and Consumer Affairs, Health, Human Services, and Labor and Industrial Relations as ex-officio voting members.

Your Committee further finds that the four executive department directors who serve on the Board provide valuable information, perspective, and guidance that inform the Board's decisions on facilitating the purchase and sale of federally qualified health insurance and dental plans. However, the directors' schedules and obligations may make it difficult for them to attend every board meeting. This measure will help ensure the state administration's continued input at board meetings by authorizing the pertinent department directors to select a designee to serve on behalf of the director at specified board meetings. Your Committee finds that this measure will facilitate the Board's efforts to meet the deadlines imposed by the federal act.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 877 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 50 Health on H.B. No. 1219

The purpose of this measure is to extend the general excise tax exclusion for amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third party health care providers, pursuant to a contract with the United States, for an additional two years.

The Department of Taxation; the Military Officers Association of America, Hawaii Chapter; and UnitedHealthcare, Military and Veterans Services submitted testimony in support of this measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the TRICARE program was established by the United States Department of Defense as the managed care component of the military health system. TRICARE augments the health care services provided by Department of Defense personnel by contracting with third-party administrators, known as managed care support contractors, to establish and maintain networks of TRICARE-authorized civilian health care providers in various regions of the United States. Your Committee also finds that the managed care support contractors make advances to health care providers, on behalf of the United States Department of Defense, for the costs of health care services provided to TRICARE beneficiaries. The Department of Defense reimburses managed care support contractors for the actual cost or advancement made to third-party health care providers. Your Committee further finds that Act 70, Session Laws of Hawaii 2009, provided that amounts received by managed care support contractors of the TRICARE program for the actual cost or advancement to third-party health care providers, on behalf of the federal government, were exempt from the state general excise tax. This exemption is currently scheduled to be repealed on December 31, 2013. Your Committee believes that extending this exemption for two additional years will help to avoid cost increases for health care services delivered through the TRICARE program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1219 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Jordan and Woodson.

SCRep. 51 Health on H.B. No. 370

The purpose of this measure is to repeal the requirement that an ambulance with paramedics be present at mixed martial arts events.

The Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, O2 Martial Arts Academy, and one concerned individual provided testimony in support of this measure.

Your Committee finds that the presence of an ambulance and paramedics at mixed martial arts events does not provide significant additional protections to contestants and may not be available for this purpose anyway, especially on the Neighbor Islands. Your Committee further finds that the existing requirement provided in section 440E-16, Hawaii Revised Statutes, that two licensed physicians also be present at these events ensures that sufficient care is available to an injured contestant for the short duration it takes for an ambulance to arrive at the scene.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 370 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 52 Health on H.B. No. 611

The purpose of this measure is to make it unlawful for tanning facilities to allow minors to use tanning equipment.

Specifically, this measure:

- (1) Prohibits a tanning facility or operator from allowing a person under age eighteen from using tanning equipment;
- (2) Authorizes the Department of Health to impose fines on persons who are in violation;
- (3) Provides an exemption for: equipment that emits ultraviolet radiation that is used by a licensed physician in the practice of medicine; or tanning equipment that is owned by a person for noncommercial personal use; and
- (4) Requires tanning facilities to post a notice of the prohibition and the health risks associated with tanning.

Testimony in support of this measure was submitted by the American Cancer Society Cancer Action Network, American Osteopathic Association, American Osteopathic College of Dermatology, and Hawaii Association of Osteopathic Physicians and Surgeons. The Department of Health supported the intent of the measure. Testimony in opposition to this measure was submitted by one concerned individual. Written comments on this measure were submitted by one concerned individual.

Your Committee finds that suntanning in general increases the risks of sunburn, skin cancer, retinal damage, and other serious health conditions and that tanning with artificial ultraviolet light magnifies these risks even further. Young people are at a heightened risk for developing skin cancer from indoor tanning. Despite the increased risk of skin cancer, including melanoma, increasing numbers of teenagers use tanning facilities. In the several states that have restricted minors' access to tanning equipment, skin cancer rates have decreased or remained stable. Accordingly, your Committee finds that prohibiting the use of commercial tanning equipment by persons under age eighteen will protect the health, safety, and welfare of young people in Hawaii and promote the responsible use of tanning equipment.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 611 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 53 Health on H.B. No. 1098

The purpose of this measure is to require the Auditor to conduct a sunrise analysis of the regulation of health educators.

More specifically, the Auditor would be required to analyze the probable effects of regulating health educators and whether those regulations would be consistent with the policies set forth in section 26H-2, Hawaii Revised Statutes, and to assess alternate forms of regulation.

Testimony in support of this measure was submitted by the National Commission for Health Education Credentialing, Inc., Society for Public Health Education, and four concerned individuals.

Health educators are a rapidly growing sector of the public health workforce and are employed in a wide variety of settings, including schools, hospitals, community organizations, and health clinics. Your Committee finds that the regulation of health educators will ensure that:

- (1) Health educators meet minimum competency requirements in the profession, similar to requirements for other health care and educational professionals;
- (2) Recipients of their specialized work receive quality services at the primary, secondary, and tertiary levels of health care; and
- (3) Quality standards in the health educator profession are maintained by enforcing ethics requirements and taking disciplinary action against violators.

Accordingly, your Committee finds that a sunrise review of the regulation of health educators is necessary and appropriate.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1098 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 54 Health on H.B. No. 653

The purpose of this measure is to authorize the issuance of special purpose revenue bonds in an unspecified amount to Hawaii Pacific Health for costs relating to the construction or renovation of its health care facilities.

Testimony in support of this measure was submitted by Hawaii Pacific Health and Healthcare Association of Hawaii. The Department of Budget and Finance provided written comments.

Your Committee finds that Hawaii Pacific Health provides health services to Hawaii and the Pacific region through its four hospitals, forty-nine outpatient clinics, 5,400 employees, and 1,300 physicians. The issuance of special purpose revenue bonds would allow Hawaii Pacific Health to expand its facilities, purchase additional equipment, and provide health services in a cost effective manner. Accordingly, your Committee finds that financing, refinancing, or reimbursing costs related to the construction or renovation of the health care facilities at Hawaii Pacific Health constitutes a project as defined in part II, chapter 39A, Hawaii Revised Statutes, and that the financing thereof is assistance to a non-profit enterprise that provides health care facilities to the general public.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with

the intent and purpose of H.B. No. 653 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Jordan.

SCRep. 55 Health on H.B. No. 893

The purpose of this measure is to provide clarifications for expenditures relating to the dietitian licensure special fund.

More specifically, the measure:

- (1) Limits to \$30,000 the amount the Department of Health may spend from the dietitian licensure special fund per year for activities associated with administering the licensure program;
- (2) Requires that any amount in excess of \$35,000 in the dietitian licensure special fund at the end of each fiscal year be deposited into the general fund; and
- (3) Requires the Department of Health to submit an annual report to the Legislature regarding the status of the dietitian licensure special fund.

Your Committee received testimony in support from the Department of Health and the Hawaii Dietetic Association.

Your Committee finds that these amendments will establish necessary expenditure limits for the dietitian licensure special fund that will allow the Department of Health to support the dietitian licensure program while providing for responsible expenditure of special fund moneys.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 893 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 56 Health on H.B. No. 843

The purpose of this measure is to regulate physical therapist assistants by, among other things:

- (1) Requiring physical therapist assistants to be licensed to work in the State;
- (2) Limiting the use of the titles "physical therapist assistant" or "PTA", or any other term or insignia to imply that a person is a physical therapist assistant unless the person is licensed as one;
- (3) Adding a physical therapist assistant as a member on the Board of Physical Therapy; and
- (4) Appropriating funds out of the Compliance Resolution Fund for fiscal year 2014-2015 to implement the licensure of physical therapist assistants.

The Board of Physical Therapy, Hawaii Chapter of the American Physical Therapy Association, The Queen's Health Systems, and numerous individuals testified in support of this measure. The Occupational Therapy Association of Hawaii testified in support of this measure with a proposed amendment. An individual opposed this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 843, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 843, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 57 Health on H.B. No. 845

The purpose of this measure is to improve the processing of licenses for the practice of acupuncture by:

- (1) Clarifying the requirements for licensees who graduate from American institutions and intend to use the title of "doctor of acupuncture";
- (2) Repealing the requirement that the Board of Acupuncture adopt rules to establish standards for the use of the title "doctor"; and
- (3) Requiring licensees who graduate from foreign institutions and intend to use the title of "doctor of acupuncture" to have their transcripts and curriculum evaluated by a professional evaluator.

Your Committee received testimony in support of this measure from the Board of Acupuncture, the Hawaii Oriental Medicine and Acupuncture Association, Aloha Oriental Medicine and Acupuncture Association, and the Institute of Clinical Acupuncture and Oriental Medicine.

Your Committee received testimony in opposition to this measure by a concerned individual.

Your Committee finds that this measure will assist the Board of Acupuncture in effectively executing the responsibility of ensuring that only qualified applicants are licensed to practice acupuncture in Hawaii.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 845 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 58 Health on H.B. No. 396

The purpose of this measure is to promote the health and safety of children by:

- (1) Prohibiting the manufacture, sale, or distribution of food and drink containers for young children that contain bisphenol A or phthalates; and
- (2) Requiring manufacturers to choose safe alternatives to these substances.

The Department of Health; Sierra Club, Hawaii Chapter; and an individual testified in support of this measure. The Toy Industry Association, Inc. opposed this measure.

Your Committee has amended this measure by:

- (1) Deleting all references to phthalate;
- (2) Amending the definition of "child care article" to mean a reusable food or drink container that is designed and intended by the manufacturer to be filled with food or liquid and to be used by a child; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 396, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 396, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 59 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 217

The purpose of this measure is to amend the Office of Hawaiian Affairs' (OHA) bond authority to allow OHA to offer a loan program to make, facilitate, buy, refinance, or guarantee loans for public and private agencies and for individuals for the purpose of the betterment of Native Hawaiians.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Ko'olaupoko Hawaiian Civic Club, and Ali'i Pauahi Hawaiian Civic Club submitted testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 217, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 217, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 60 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 499

The purpose of this measure is to authorize a research program within the Hawaii Institute of Marine Biology at the University of Hawaii at Manoa on the stewardship of aquaculture and marine protected areas and to appropriate an unspecified amount of funds on a matching basis with federal funds.

The Hawaii Aquaculture & Aquaponics Association, Pacific American Foundation, and an individual supported this measure. The Hawaii Institute of Marine Biology provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 499, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 499, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Coffman.

SCRep. 61 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1446

The purpose of this measure is to support native Hawaiians and native Hawaiian programs by appropriating funds to the Ka Haka 'Ula O Ke'elikōlani College of Hawaiian Language and native Hawaiian student affairs programs at the University of Hawaii at Hilo.

'Aha Pūnana Leo, Ka Haka 'Ula O Ke'elikōlani College of the University of Hawaii at Hilo, and a few individuals supported this measure. The University of Hawaii at Hilo and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1446 and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Coffman.

SCRep. 62 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 251

The purpose of this measure is to establish a fee of \$1 for certified copies of birth, marriage, divorce, or death certificates that are required to prove to the Native Hawaiian Roll Commission that an individual is a qualified Native Hawaiian.

The Department of Health and a few individuals opposed this measure. The Office of Hawaiian Affairs and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the \$1 fee shall also apply to certified copies of birth, marriage, divorce, or death certificates sought as proof of an individual's Native Hawaiian ancestry for the purpose of inclusion in the registry of the Office of Hawaiian Affairs; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 251, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 251, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representative Coffman.

SCRep. 63 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 167

The purpose of this measure is to protect the disability benefits earned by disabled veterans by prohibiting courts from considering federal disability benefits awarded to a military veteran when determining the disposition of property pursuant to a divorce decree.

The Oahu Veterans Council and a concerned individual testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 167 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 64 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 525

The purpose of this measure is to support veterans by prohibiting courts from considering a person's federal veterans disability benefits in determining whether to award support and maintenance allowances or the amount of such allowance to the person's spouse or former spouse.

The Oahu Veterans Council testified in support of this measure. The Office of Veterans Services testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 525 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 65 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 574

The purpose of this measure is to find innovative ways to fund capital improvement projects and create jobs in Hawaii by taking advantage of loans provided under the Immigrant Investor Pilot Program of the federal Immigration and Nationality Act, also known as EB-5 loans. Specifically, this measure would set aside general excise tax revenues that are equal to the principal and interest payable during each fiscal year for any EB-5 loan that financed a state project to repay that loan.

The University of Hawaii and Hawaiian Islands Regional Center, LLC, testified in support of this measure. The Department of Budget and

Finance testified in opposition to this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 574, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 574, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 66 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 163

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation Enduring Freedom, and Operation New Dawn by requiring the Office of Veterans' Services, with the assistance of the Department of Accounting and General Services and Department of Defense, to develop plans to establish a memorial honoring the veterans of these conflicts.

The State Department of Defense, Office of Veterans' Services, and Oahu Veterans Council testified in support of this measure. The Department of Accounting and General Services testified in support of the intent of this bill. The State Historic Preservation Division provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the State Historic Preservation Division also assist the Office of Veterans' Services in developing plans to establish the memorial;
- (2) Deleting language specifying that the memorial be placed on the grounds of the State Capitol near the Korean and Vietnam War Memorial;
- (3) Clarifying that the Office of Veterans' Services shall hold a public hearing no later than 90 days after enactment of this measure to receive comments or input from interested organizations and residents on plans to develop the memorial;
- (4) Specifying that the State Historic Preservation Division shall also assist the Office of Veterans' Services in submitting the report of their findings and recommendations on the development plans to establish the memorial to the Legislature;
- (5) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 163, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 163, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Brower.

SCRep. 67 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 527

The purpose of this measure is to eliminate an outdated and unnecessary allowance provided to enlisted military personnel in the Hawaii National Guard for uniform maintenance by repealing statutory provisions establishing this allowance.

The Department of Defense of the State of Hawaii and Oahu Veterans Council testified in support of this measure. The Veterans of Foreign Wars Post 970 and a concerned individual testified in opposition to this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 527, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 527, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Brower.

SCRep. 68 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 169

The purpose of this measure is to assist family members of individuals in the armed services on, or notified of a call to, active duty. Specifically, this measure permits an employee with a family member in the United States armed forces who is on active duty, or notified of a call to active duty, to use family leave for certain activities for which an employee may take military family leave under federal law.

The Department of Labor and Industrial Relations, State Office of Veterans' Services, Oahu Veterans Council, and The Chamber of Commerce of Hawaii testified in support of this bill. The Department of Human Resources Development testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Providing employers with a mechanism to certify the validity of family leave requests made by employees with family members in the armed services on, or notified of a call to, active duty by requiring certain documents to be furnished when such a request is made;
- (2) Stipulating that the use of family leave for certain activities for which an employee may take military family leave under federal law provided for in this measure also applies to reciprocal beneficiaries; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 169, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 69 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 580

The purpose of this measure is to assist military families in relocating and transitioning to Hawaii by establishing:

- (1) A center for transition, immersion, and education under the jurisdiction of the Department of Business, Economic Development, and Tourism that will assist military members and their families transitioning to Hawaii, and assist Hawaii residents to better understand and engage with military members in the State; and
- (2) The Center for Transition, Immersion, and Education Special Fund to be used for administering the center for transition, immersion, and education.

The Oahu Veterans Council, The Chamber of Commerce of Hawaii, and several concerned individuals testified in support of this measure. The State Department of Defense testified in support of the intent of this measure. The Department of Business, Economic Development, and Tourism and Department of Budget and Finance provided comments.

Your Committee has amended this bill by:

- (1) Establishing a new Chapter in the Hawaii Revised Statutes relating to the State Department of Defense;
- (2) Placing jurisdiction for the center for transition, immersion, and education and the Center for Transition, Immersion, and Education Special Fund under the State Department of Defense rather than the Department of Business, Economic Development, and Tourism;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 580, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 580, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 70 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 166

The purpose of this measure is to assist veteran-owned and service-disabled veteran-owned small businesses by requiring that at least three percent of the 20 percent set aside that the Chief Procurement Officer may award to small businesses be awarded to veteran-owned and service-disabled veteran-owned small businesses.

The Oahu Veterans Council testified in support of this measure. The State Office of Veterans Services testified in support of the intent of this measure. The General Contractors Association of Hawaii testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Specifying that nothing in the statutory language enacted by this bill shall limit, restrict, or preclude a veteran-owned or service-disabled veteran-owned small business from qualifying for any other preferences, set—asides, or criteria that may apply under the State Procurement Code;
- (2) Stipulating that the three percent set aside created by this bill is in addition to any other preferences that a veteran-owned or service-disabled veteran-owned small business may qualify for;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 166, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 166, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee.

SCRep. 71 Transportation on H.B. No. 551

The purpose of this measure is to prorate the rental motor vehicle surcharge tax down to 12.5 cents per hour on car-sharing rentals of less than six hours in duration.

The Department of Transportation; EAN Holdings, LLC; Blue Planet Foundation; the Sierra Club, Hawai'i Chapter; and two individuals supported this measure. The Hertz Corporation supported the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 551, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 551, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 72 Transportation on H.B. No. 859

The purpose of this measure is to enable community development districts to establish "complete streets", which are safe and convenient street routes for walking, bicycling, and public transportation by:

- (1) Requiring the Hawaii Community Development Authority (HCDA) to establish a procedure whereby the affected county will be notified and given an opportunity to present its position on improvements related to complete streets prior to decision-making by HCDA; and
- (2) Requiring HCDA to develop and adopt complete streets design standards and street plans for the community development districts.

The Office of the Governor; Department of Business, Economic Development, and Tourism; Hawaii Community Development Authority; Blue Planet Foundation; and a concerned individual supported this measure. The City and County of Honolulu's Department of Transportation Services, a member of the City and County of Honolulu's City Council, and the Windward Ahupua'a Alliance offered comments on the measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 859, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 859, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 73 Transportation on H.B. No. 892

The purpose of this measure is to support services for the disabled by increasing the state motor vehicle registration fee by \$1 and designating the increased amount to the Disability and Communication Access Board Special Fund to fund the parking program for persons with disabilities.

The Disability and Communication Access Board and several concerned individuals testified in support of this measure. The Tax Foundation of Hawaii testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Providing that it will be repealed on January 1, 2019; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 892, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 892, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee.

SCRep. 74 Transportation on H.B. No. 930

The purpose of this measure is to relieve the financial burden on the Department of Land and Natural Resources (DLNR) caused by unauthorized vessels in state harbors by:

- (1) Requiring that all costs and expenses associated with the impoundment of an unauthorized vessel by DLNR be borne by the vessel owner; and
- (2) Clarifying that no vessel registration shall be renewed or transferred unless the vessel owner is in compliance with all of DLNR's rules and has paid all fees owed to DLNR.

The Department of Land and Natural Resources supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 930 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representative Takumi.

SCRep. 75 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 710

The purpose of this measure is to facilitate the restoration of Hawaiian fishponds by requiring the Department of Land and Natural Resources, the Department of Health, the Office of Planning, community organizations, and Native Hawaiian aquaculturalists to collaborate on streamlining the permitting process to restore Hawaiian fishponds. Specifically, this bill requires the implementation of:

- (1) One master conservation district use application process applicable to all Hawaiian fishponds;
- (2) A coastal zone management program consistency statement for Hawaiian fishponds;
- (3) Water quality certification for Hawaiian fishponds;
- (4) A general permit that conforms to the requirements for a Hawaiian fishpond pollution discharge elimination system; and
- (5) Administrative rules.

This measure also requires a report on the Department of Land and Natural Resources' findings and recommendations for streamlining this permitting process.

The Department of Land and Natural Resources, Department of Health, and Historic Hawaii Foundation supported this measure. The Office of Planning of the Department of Business, Economic Development, and Tourism and Honua Consulting provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 710 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 76 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1268

The purpose of this measure is to permit the transfer or assignment of a nine hundred ninety-nine-year homestead lease to the trustees of a land trust created to manage and hold the homestead leasehold estate for the benefit of the lessee and lessee's family members.

The Department of Land and Natural Resources, Ho'opae Pono Peace Project, and two individuals testified in support of the measure.

Your Committees find that conflicts often arise between family members having an interest in nine hundred ninety-nine-year homestead leases, which make the homestead program increasingly difficult to manage. This measure provides an option for family governance of homestead lands that could facilitate the pooling of resources, long-term planning, and organized decision-making, thereby preventing the loss of land.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1268 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 77 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 939

The purpose of this measure is to enhance the ability of the Board of Land and Natural Resources to address natural and cultural resource violations by providing the board with alternative civil enforcement options.

Specifically, this measure:

- (1) Broadens the Board of Land and Natural Resources' ability to impose fines for violations of laws relating to natural and cultural resources and conservation; and
- (2) Authorizes the board, with regard to violators of natural or cultural resource laws, to:

- (A) Impose natural or cultural resource-related community service in lieu of or in addition to administrative fines;
- (B) Suspend or revoke any permit or license issued by the board, or deny applications for the issuance of the permit or license; and
- (C) Direct the counties to deny motor vehicle registration applications.

The Department of Land and Natural Resources, Office of Hawaiian Affairs' Committee on Beneficiary Advancement and Empowerment, and Nature Conservancy testified in support of this measure.

Your Committees find that by providing the Board of Land and Natural Resources broader powers to impose fines and apply alternative civil penalties, this measure will allow the board to more flexibly and effectively address violations of laws protecting the State's natural and cultural resources.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 939 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 78 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1292

The purpose of this measure is to require that all dispositions in fee simple of public land be subject to the express prior approval of the Legislature by concurrent resolution to be adopted by at least a two-thirds majority vote of the members to which each house is entitled.

The measure also subjects the execution of quitclaim deeds by the Board of Land and Natural Resources to the express prior approval by the Legislature.

One individual testified in support of the measure. The Department of Land and Natural Resources submitted comments on the measure.

Your Committees find that Act 176, Session Laws of Hawaii 2009, requires the express prior legislative approval for all sales and gifts of public lands. Under existing law, land exchanges and quitclaim deeds that involve public lands are subject to legislative disapproval by a two-thirds majority of each house. If the Legislature takes no action on the land exchange or quitclaim deed, then the exchange or quitclaim deed is deemed approved. By extending this approval requirement to other forms of disposition, including exchanges and quitclaim deeds, this measure provides greater uniformity under the law.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1292 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 79 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 989

The purpose of this measure is to modify the formula for calculating the penalties for the unlawful taking of aquarium fish or specimen of aquatic life.

Specifically, the measure would require multiplying each separate species unlawfully taken by the quantity of that species taken, and then assessing a fine based on the species of fish or aquatic life.

Testimony in support of this measure was submitted the Pet Industry Joint Advisory Council, Sustainable Aquarium Industry Association, Quality Marine, Coral Fish Hawaii, and eight individuals. Written comments were submitted by the Department of Land and Natural Resources.

Your Committees find that, currently, the penalties for the unlawful taking of aquarium fish or aquatic life are based upon the number of species of aquarium fish or aquatic life unlawfully taken and do not take into account the actual quantity of aquarium fish or aquatic life unlawfully taken. Therefore, a fisher who unlawfully takes many specimen of the same species of aquatic life is only penalized for one violation. Your Committees also find that, by counting each specimen of fish or aquatic life unlawfully taken as a violation, fishers that practice irresponsible and illegal collection of marine life will be penalized in proportion to their violation and thus will have an incentive to adhere to the regulations. Your Committee also finds that there is a need to deter irresponsible fishing and that stricter regulations are needed to responsibly manage stocks of marine life in the State.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 989 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 80 Labor & Public Employment on H.B. No. 144

The purpose of this measure is to clarify regulations of professional employer organizations. Specifically, this measure, among other things:

- (1) Requires professional employer organizations to register with the Director of Labor and Industrial Relations (Director), the failure of

which will result in ineligibility for the excise tax exemption;

- (2) Requires the Director to collect registration fees from professional employer organizations;
- (3) Establishes responsibilities and duties for the Director as it applies to professional employer organizations;
- (4) Requires professional employer organizations to notify the Department of Labor and Industrial Relations (DLIR) of client relationships;
- (5) Establishes proceedings for the denial, suspension, or revocation of a professional employer organization's registration;
- (6) Clarifies several definitions; and
- (7) Repeals chapter 373L, Hawaii Revised Statutes (HRS), relating to professional employment organizations.

OneSource; the Hawaii Association of Professional Employer Organizations; Talent HR Solutions, LLC; and Hawaii Human Resources, Inc., submitted testimony in support of this measure. ALTRES, Inc., opposed this measure. The DLIR; Department of Taxation; ProService Hawaii; NAPEO; and Tax Foundation of Hawaii commented on this measure.

After further consideration, your Committee understands the concerns raised by the DLIR and finds that the language contained in S.B. No. 510, Regular Session of 2013, provides better clarification and resolution of the inconsistencies between chapters 373L and 373K, HRS.

Accordingly, your Committee has amended this measure as received by deleting its contents and replacing it with the language contained in S.B. No. 510. Specifically, the amended bill:

- (1) Designates the professional employer organization as the employer for purposes of workers' compensation, temporary disability insurance, prepaid healthcare and unemployment insurance laws;
- (2) Requires the DLIR to provide certain registration information of all professional employer organizations that have successfully complied with statutory requirements to the Department of Taxation for general excise tax exemption purposes;
- (3) Establishes various fees on applicants for registration as a professional employer organization;
- (4) Clarifies the qualifications for professional employer organizations to receive the general excise tax exemption;
- (5) Amends, adds, and deletes definitions to conform, make consistent, and clarify the professional employer organization law;
- (6) Clarifies certain registration requirements for professional employer organizations;
- (7) Imposes additional registration requirements for professional employment organizations; and
- (8) Repeals chapter 373K, HRS, relating to professional employment organizations.

This measure was further amended by making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 144, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 144, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Yamane.

SCRep. 81 Labor & Public Employment on H.B. No. 638

The purpose of this measure is to address specific employment benefits afforded to the officers and employees of the Office of Hawaiian Affairs (OHA) by:

- (1) Repealing the eligibility for the Employees' Retirement System, Hawaii Employer-Union Health Benefits Trust Fund, and cafeteria plan benefits for officers and employees of OHA who are paid in whole or in part by funds derived from the public land trust described in section 10-3, Hawaii Revised Statutes (HRS);
- (2) Specifying that all employees of OHA shall be subject to the Uniform Information Practices Act (Modified) described in chapter 92F, HRS; and
- (3) Authorizing the legislature to make adjustments in wages, hours, benefits, or other terms and conditions of employment for officers and employees of OHA.

The Office of Hawaiian Affairs opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2113, to promote further discussion; and

- (2) Making technical, nonsubstantive amendments for style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 638, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 638, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representative Yamane.

SCRep. 82 Labor & Public Employment on H.B. No. 272

The purpose of this measure is to protect public employees from abusive conduct in the workplace by establishing abusive conduct as a workplace safety and health violation.

More specifically, the measure provides:

- (1) Victims with a process to initiate complaints against those engaging in abusive conduct;
- (2) A hearing process for resolving the complaints; and
- (3) Remedies for victims of abusive conduct.

Your Committee received testimony in opposition to this measure from the Department of Human Resources Development and the Judiciary.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 272 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Yamane.

SCRep. 83 Labor & Public Employment on H.B. No. 431

The purpose of this measure is to authorize and appropriate funds for public employees in collective bargaining unit (13) and their excluded counterparts, for cost items, including Hawaii Employer-Union Health Benefit Trust Fund costs.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure is necessary to fund the agreement reached between the State and the exclusive representative of the public employees in collective bargaining unit (13).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 431 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 84 Labor & Public Employment on H.B. No. 432

The purpose of this measure is to provide funds for collective bargaining cost items for public employees in collective bargaining unit (8) and their excluded counterparts, including Hawaii Employer-Union Health Benefits Trust Fund costs negotiated between the State and the exclusive representative of collective bargaining unit (8) for fiscal biennium 2013-2015.

The Department of Budget and Finance and the Hawaii Government Employees Association testified in support of this measure.

Your Committee finds that the funds appropriated or authorized are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the exclusive representative of collective bargaining unit (8).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 432 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 85 Labor & Public Employment on H.B. No. 433

The purpose of this measure is to appropriate funds for the Hawaii Employer-Union Health Benefits Trust Fund costs for public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2013-2015.

The Director of Finance and the Hawaii Government Employees Association testified in support of this measure.

Your Committee finds that this measure should continue to move through the legislative process in the event that the public employer and the exclusive representative of the public employees identified in the measure come to an agreement over cost items during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 433 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 86 Labor & Public Employment on H.B. No. 434

The purpose of this measure is to appropriate and authorize funds for cost items for collective bargaining unit (6) and their excluded counterparts for fiscal biennium 2013-2015, including the Hawaii Employer-Union Health Benefits Trust Fund costs.

The Director of Finance and the Hawaii Government Employees Association testified in support of the measure.

Your Committee finds that this measure is necessary to cover the costs of implementing the collective bargaining agreement negotiated between the State and the exclusive representative for collective bargaining unit (6) for the fiscal biennium beginning on July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 434 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 87 Labor & Public Employment on H.B. No. 816

The purpose of this measure is to make appropriations to fund collective bargaining cost items for the 2013-2015 fiscal biennium for public employees in collective bargaining unit (1) and their excluded counterparts, including the cost of salary increases and other cost adjustments.

Testimony in support of this measure was submitted by the Director of Finance, United Public Workers, AFSCME Local 646, AFL-CIO, and one concerned individual.

Your Committee finds that fund appropriations and authorizations by the Legislature are necessary to cover the expected costs of implementing the collective bargaining agreements negotiated between the State and respective bargaining units representing state public employees, and their excluded counterparts for the fiscal year commencing July 1, 2013. Accordingly, your Committee finds that this measure is necessary to fund collective bargaining costs, including salary increases and other cost adjustments, for employees in collective bargaining unit (1), along with state officers and employees who are excluded from collective bargaining but belong to the same compensation plans as those persons within unit (1), for the 2013-2015 fiscal biennium.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 816 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 88 Labor & Public Employment on H.B. No. 820

The purpose of this measure is to appropriate or authorize funds for fiscal biennium 2013-2015 to cover collective bargaining cost items for the public officers and employees of collective bargaining unit (5) and their counterparts who are excluded from collective bargaining.

The Director of Finance testified in support of the measure.

Your Committee finds that this measure promotes effective and orderly government operations by providing funds to cover the costs of implementing the collective bargaining agreement negotiated between the State and the exclusive representative of collective bargaining unit (5) public officers and employees.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 820 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 89 Labor & Public Employment on H.B. No. 822

The purpose of this measure is to provide funds for collective bargaining cost items for public employees in collective bargaining unit (7) and their excluded counterparts, including the cost of salary increases and other cost adjustments negotiated between the State and the exclusive representative for fiscal biennium 2013-2015.

Testimony in support of this measure was received from the Department of Budget and Finance.

Your Committee finds that the funds authorized or appropriated are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the exclusive representative for collective bargaining unit (7).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 822 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 90 Labor & Public Employment on H.B. No. 915

The purpose of this measure is to improve the integrity of the State's unemployment insurance program.

Specifically, the measure would authorize the Department of Labor and Industrial Relations to:

- (1) Recoup certain overpayments of unemployment benefits from an employer's account in the unemployment trust fund and from the federal income tax refund payments of the employer and the individual who received the overpayments;
- (2) Offset an employer's default of contributions, advance payments, or reimbursement against the employer's federal income tax refund payments; and
- (3) Use moneys in the State's account in the unemployment trust fund for the payment of fees authorized under the Internal Revenue Code for the review of reductions relating to credits and refunds.

Testimony in support of the measure was received from the Department of Labor and Industrial Relations.

Your Committee finds that this measure is necessary to conform Hawaii's employment security laws to the federal Trade Adjustment Assistance Extension Act of 2011 and to make facilitating amendments. The federal law requires states to charge overpaid amounts to an employer's account when an employer fails to respond to the department's written request for information and to impose a specified minimum penalty on fraudulent overpayments. Failure to adopt these changes may result in the loss of \$13,000,000 in federal grants.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 915 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 91 Labor & Public Employment/Economic Development & Business on H.B. No. 916

The purpose of this measure is to increase the minimum hourly wage to \$8.75 per hour beginning January 1, 2014, and to adjust the minimum hourly wage thereafter using the Consumer Price Index.

Additionally, this measure increases the tip credit for tipped employees from twenty-five cents to thirty cents.

Testimony in support of this measure was received from the Department of Human Services; the Office of Community Services, Department of Labor and Industrial Relations; the Hawaii State Commission on the Status of Women; the Hawaii State AFL-CIO; the Hawaii Laborers' Union; the United Public Workers; the Hawaii Catholic Conference; the Democratic Party of Hawaii; the American Civil Liberties Union; and several concerned individuals.

Testimony in opposition to this measure was received from the Chamber of Commerce of Hawaii; the National Federation of Independent Business; Palama Holdings LLC; the Japanese Chamber of Commerce and Industry in Hawaii; the Hawaii Food Industry Association; Keiki O Ka 'Aina Learning Centers; VIP Foodservice; Okimoto Corp; Hawaii Foam Products, LLC; Ito En (USA) Inc.; Retail Merchants of Hawaii; Kualapuu Market, Ltd.; the Hawaii Business League; Times Supermarkets; KTA Super Store; Pacific Quest; KYD, Inc.; City Mill; and a concerned individual.

Comments on the measure were received from the Department of Human Resources Development and Island Princess.

Your Committees find that an increase in the minimum wage will give minimum and low-wage workers more spending power to meet their most essential needs and therefore will generate economic activity to support the State's continued recovery from the recession.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 916 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Yamane.

SCRep. 92 Labor & Public Employment/Economic Development & Business on H.B. No. 917

The purpose of this measure is to protect employees by requiring employers to provide additional wage information on employees' wage statements and to maintain accurate records of employee compensation. The measure would take effect on January 1, 2014.

The Department of Labor and Industrial Relations testified in support of this measure.

Your Committees find that providing additional wage information to employees would assist them in understanding their hourly rates of pay and other elements of their compensation. In addition, your Committees find that requiring employers to maintain accurate records of employee compensation would facilitate the Department of Labor and Industrial Relations Wage Standards Division's efforts to conduct effective investigations of violations and assist employees in recovering unpaid wages.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 917 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Yamane.

SCRep. 93 Labor & Public Employment on H.B. No. 919

The purpose of this measure is exempt persons who have committed controlled-substance-related offenses from automatic disqualification from public employment if the position is exempt from the civil service, provided that reasonable safeguards exist to protect employees and the public.

Additionally, this measure clarifies the language on civil service exemptions for positions filled by persons with severe handicaps or by students and positions filled through federally funded programs or similar state programs.

Testimony in support of this measure was received from the Department of Labor and Industrial Relations, Going Home Consortium, Community Alliance on Prisons, and a concerned individual.

Your Committee finds that removal of the automatic disqualification from public employment for persons convicted of a controlled-substance-related offense will facilitate the purposes of federally funded reentry programs for ex-offenders. Your Committee also finds that updating and expanding the civil service exemption to clarify that workforce training programs are included in the exemption would enable the Department of Labor and Industrial Relations to assist a segment of the workforce that is in need of training to transition to other vocations.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 919 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 94 Labor & Public Employment on H.B. No. 921

The purpose of this measure is to enhance the processing of workers' compensation appeals by authorizing:

- (1) The Labor and Industrial Relations Appeals Board to take appropriate action to enforce its rules and orders, including the imposition of administrative and monetary sanctions; and
- (2) Workers' compensation litigants to file electronic notices of appeal with the appellate court.

The Department of Labor and Industrial Relations, Labor and Industrial Relations Appeals Board, and ILWU Local 142 testified in support of this measure.

Your Committee finds that the Labor and Industrial Relations Appeals Board decides appeals from decisions and orders of the Director of Labor and Industrial Relations issued under the workers' compensation law and any other law for which an appeal to the board is provided by law. Although section 371-4(j), Hawaii Revised Statutes, authorizes the board to adopt rules in its area of responsibilities, there is no express statutory authority for the board to issue orders or take other action to enforce its rules or orders. In addition, while section 386-88, Hawaii Revised Statutes, provides for judicial review of the board's decisions after written notice of appeal is filed with the board, there is currently no option for filing electronic notices of appeal with the appellate court, which is now available through the Judiciary's electronic filing system.

This measure promotes the efficient processing of workers' compensation appeals by giving the Labor and Industrial Relations Appeals Board express authority to enforce its rules and orders. Further, the authorization for workers' compensation litigants to electronically file notices of appeal will improve government processes and increase productivity through the use of available technology.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 921 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 95 Labor & Public Employment on H.B. No. 924

The purpose of this measure is to exempt the Hawaii Labor Relations Board from the requirement that notice of hearings be provided to parties by registered or certified mail and instead require that notice be given by first class mail.

This measure also repeals outdated language and updates statutory references.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and the Office of Collective Bargaining. Your Committee received testimony in opposition from the University of Hawaii Professional Assembly.

Your Committee finds that section 91-9.5, Hawaii Revised Statutes, requires the Hawaii Labor Relations Board to mail hearing notices by registered or certified mail with return receipt requested at least fifteen days before the hearing. Your Committee further finds that requiring the Board to mail hearing notices by first class mail instead, while retaining the fifteen-day notification period, will save the Board approximately \$2,200 per year without significantly altering the hearing notification process. This savings by the Department of Labor and Industrial Relations will be applied toward developing an electronic filing system.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 924 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 96 Labor & Public Employment on H.B. No. 925

The purpose of this measure is to provide for more efficiency and effectiveness in state government in the area of employment security appeals.

Specifically, this measure:

- (1) Establishes that a written notice of an employment security appeal hearing shall be mailed to a claimant or party by first class mail not less than twelve days prior to the initial hearing date; and
- (2) Authorizes a claimant or party to an appeal to receive hearing notices and other appeal documents from the Employment Security Appeals Referee's Office in electronic format instead of mail correspondence.

Testimony in support of this measure was submitted by the Department of Labor and Industrial Relations.

Your Committee finds that this measure could potentially reduce the waiting time for an unemployment appeal hearing date for parties who file an appeal with the Employment Security Appeals Referee's Office, by reducing the advance notice requirement for an appeal hearing from fifteen days to twelve days. Although fifteen-day notice of hearing is mandated pursuant to section 91-9.5, Hawaii Revised Statutes, a shorter notice period "is permitted if otherwise provided by law." A twelve day notice requirement is consistent with a ten day nationwide average notice requirement for unemployment appeal hearings. In addition, allowing electronic notifications of appeals hearings will save resources by allowing parties to more quickly establish a clear applicable date for calculating further appeal deadlines.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 925 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 97 Labor & Public Employment on H.B. No. 926

The purpose of this measure is to authorize the Hawaii Labor Relations Board to provide parties with written notice of a hearing by first class mail and to clarify the powers of the Board in conducting hearings.

The Department of Labor and Industrial Relations submitted testimony in support of this measure.

Section 91-9.5, Hawaii Revised Statutes, requires the Hawaii Labor Relations Board to provide parties with written notice of a hearing by registered or certified mail. Your Committee finds that such a requirement is not an efficient use of state resources and does not provide parties with significant additional protections when compared to first class mail. Your Committee believes that authorizing the Hawaii Labor Relations Board to provide notice by first class mail will save money for the Department of Labor and Industrial Relations, which may then be used toward implementing the Department's paperless litigation and electronic filing and document management system. Your Committee further finds that authorizing members of the Board to have the same powers as the circuit courts with regard to witness testimony and documentary evidence will clarify the Board's authority for conducting appeals.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 926 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 98 Labor & Public Employment/Economic Development & Business on H.B. No. 927

The purpose of this measure is to authorize the use of moneys in the employment and training fund for training programs for small business that are included in the State's economic development strategy.

The Department of Labor and Industrial Relations and the Department of Business, Economic Development, and Tourism submitted testimony in support of this measure.

Your Committees find that small businesses in Hawaii are important for job growth and economic development, but small businesses frequently lack staff and resources to invest in improving workforce skills. Your Committees further find that authorizing and prioritizing the use of moneys in the employment and training fund for education and training programs to meet identified needs for small businesses will assist in alleviating critical skill shortages in Hawaii's workforce.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 927 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Yamane.

SCRep. 99 Labor & Public Employment on H.B. No. 928

The purpose of this measure is to implement the recommendation by the Auditor in Report No. 12-10 to reclassify certain special funds as trust funds.

Specifically, this measure would reclassify the following funds:

- (1) The unemployment compensation fund, established pursuant to section 383-121, Hawaii Revised Statutes;
- (2) The special compensation fund, established pursuant to section 386-151, Hawaii Revised Statutes;
- (3) The special fund for disability benefits, established pursuant to section 392-61, Hawaii Revised Statutes; and
- (4) The special premium supplementation fund, established pursuant to section 393-41, Hawaii Revised Statutes;

Your Committee received testimony in support of the measure from the Department of Labor and Industrial Relations.

Your Committee finds that the unemployment compensation fund, the special compensation fund, the special fund for disability benefits, and the special premium supplementation fund were established as special funds. However, each functions as a trust fund under definitions in the Hawaii Revised Statutes, and the Auditor has recommended that they be reclassified accordingly. Reclassification of the special funds as trust funds will avoid any confusion in the proper administration of these funds.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 928 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 100 Labor & Public Employment on H.B. No. 929

The purpose of this measure is to update the employment and training fund assessment exemptions to correspond with recent amendments to the unemployment compensation fund contribution rates. The measure would take effect retroactively to January 1, 2013.

The Department of Labor and Industrial Relations submitted testimony in support of this measure.

Your Committee finds that Act 263, Session Laws of Hawaii 2012, increased the maximum employer contribution rate to the unemployment compensation fund, pursuant to section 383-68, Hawaii Revised Statutes, from 5.4 per cent to 6.6 per cent, but did not make a corresponding amendment to section 383-129, Hawaii Revised Statutes. Your Committee further finds amending the maximum employer contribution rate to reference the schedule of contribution rates in section 383-68, Hawaii Revised Statutes, will harmonize the two statutes and provide clarification for employers that are exempt from the employment and training fund assessment.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 929 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 101 Labor & Public Employment on H.B. No. 1162

The purpose of this measure is to appropriate and authorize funds for fiscal biennium 2013 to 2015 to cover collective bargaining cost items, including the Hawaii Employer-Union Health Benefits Trust Fund costs, for the public officers and employees of collective bargaining unit (4) and their counterparts who are excluded from collective bargaining.

Testimony in support of this measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure promotes effective and orderly government operations by providing funds to cover the Hawaii Employer-Union Health Benefits Trust Fund costs contained in the agreements negotiated between the State and the exclusive representative for collective bargaining unit (4) for the fiscal biennium commencing on July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1162 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 102 Labor & Public Employment on H.B. No. 1163

The purpose of this measure is to appropriate funds for the Hawaii employer-union health benefits trust fund costs for members of collective bargaining unit (3) and their excluded counterparts.

Testimony in support of this measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure should continue to move through the legislative process in the event that a collective bargaining agreement is reached between public employers and the exclusive representative of collective bargaining unit (3).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1163 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 103 Labor & Public Employment on H.B. No. 1164

The purpose of this measure is to make appropriations to fund Hawaii Employer-Union Health Benefits Trust Fund costs for the 2013-2015 fiscal biennium for public employees in collective bargaining unit (2) and their excluded counterparts.

The Director of Finance and the Hawaii Government Employees Association submitted testimony in support of this measure.

Your Committee finds that fund appropriations or authorizations by the Legislature are necessary to cover the expected costs of implementing the collective bargaining agreements negotiated between the State and respective bargaining units representing state public employees, and their excluded counterparts. Accordingly, your Committee finds that this measure is necessary to fund Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (2), along with state officers and employees who are excluded from collective bargaining but belong to the same compensation plans as those persons within unit (2), for the 2013-2015 fiscal biennium.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1164 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 104 Labor & Public Employment on H.B. No. 1165

The purpose of this measure is to make appropriations to fund collective bargaining cost items for the 2013-2015 fiscal biennium for public employees in collective bargaining unit (2) and their excluded counterparts.

The Director of Finance and the Hawaii Government Employees Association submitted testimony in support of this measure.

Your Committee finds that fund appropriations or authorizations by the Legislature are necessary to cover the expected costs of implementing the collective bargaining agreements negotiated between the State and respective bargaining units representing state public employees, and their excluded counterparts. Accordingly, your Committee finds that this measure is necessary to fund collective bargaining costs, including salary increases and other cost adjustments, for employees in collective bargaining unit (2), along with state officers and employees who are excluded from collective bargaining but belong to the same compensation plans as those persons within unit (2), for the 2013-2015 fiscal biennium.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1165 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 105 Labor & Public Employment on H.B. No. 1166

The purpose of this measure is to appropriate funds for the collective bargaining cost items for members of collective bargaining unit (3) and their excluded counterparts.

Testimony in support of this measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure should continue to move through the legislative process in the event that a collective bargaining agreement is reached between public employers and the exclusive representative of collective bargaining unit (3).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1166 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 106 Labor & Public Employment on H.B. No. 1167

The purpose of this measure is to appropriate and authorize funds for fiscal biennium 2013 to 2015 to cover collective bargaining cost items for the public officers and employees of collective bargaining unit (4) and their counterparts who are excluded from collective bargaining.

Testimony in support of this measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure promotes effective and orderly government operations by providing funds to cover the costs of implementing the collective bargaining agreement negotiated between the State and the exclusive representative for collective bargaining unit (4) for the fiscal biennium commencing on July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1167 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 107 Labor & Public Employment on H.B. No. 1168

The purpose of this measure is to authorize and appropriate funds for collective bargaining cost items for public employees in bargaining unit (13) and their excluded counterparts for fiscal biennium 2013-2015.

Testimony in support of the measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure should continue to move through the legislative process in the event that the public employer and the exclusive representative of the public employees identified in this measure come to an agreement over cost items during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1168 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 108 Labor & Public Employment on H.B. No. 1169

The purpose of this measure is to provide funds for collective bargaining cost items for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2013-2015.

Testimony in support of this measure was received from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the funds appropriated or authorized are necessary to cover the expected cost of implementing the collective bargaining agreement negotiated between the State and the exclusive representative for collective bargaining unit (8).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1169 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 109 Labor & Public Employment on H.B. No. 1170

The purpose of this measure is to appropriate or authorize funds for collective bargaining cost items for public employees in collective bargaining unit (6) and their excluded counterparts for the fiscal biennium 2013-2015.

Testimony in support of this measure was received from the Director of Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure should continue to move through the legislative process in the event that the public employer and exclusive representative of the public employees identified in the measure come to an agreement over cost items relating to collective bargaining unit (6) during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1170 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 110 Labor & Public Employment on H.B. No. 1171

The purpose of this measure is to appropriate funds for all collective bargaining cost items for the public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2013-2015.

The Director of Finance and the Hawaii Government Employees Association testified in support of this measure.

Your Committee finds that this measure should continue to move through the legislative process in the event that the public employer and the exclusive representative of the public employees identified in the measure come to an agreement over cost items during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1171 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 111 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1087

The purpose of this measure is to establish a non-partisan primary election process to narrow the number of candidates for the Board of Trustees of the Office of Hawaiian Affairs (OHA) to no more than two candidates per available seat at general election.

An individual supported this measure. The Office of Hawaiian Affairs, the Department of the Attorney General, and the Office of Elections commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting duplicative language at the suggestion of the Department of the Attorney General;
- (2) Making conforming amendments to additional statutory provisions regarding an OHA board member's term of office and vacancies by removing references to special elections; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1087, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1087, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Coffman.

SCRep. 112 Higher Education on H.B. No. 725

The purpose of this measure is to support the development of aviation and aeronautics in the State by appropriating \$350,000 in general revenues for a program coordinator and technical support staff member to complete the necessary planning and studies required for an international flight training center and associated proposed aeronautical training programs at Hawaii Community College and the University of Hawaii at Hilo.

The Department of Defense, Department of Transportation, County of Hawaii Department of Research and Development, the United States Congressional Representative from Hawaii's 2nd District, Hawaii County District 3 Councilmember, Hawaii County District 5 Councilmember, and several concerned individuals supported this measure. The Ironworkers Union Stabilization Fund supported the intent of this measure. The University of Hawaii at Hilo provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 725, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 725, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 113 Higher Education on H.B. No. 750

The purpose of this measure is to encourage the development of high technology innovation in the State by establishing the Hawaii Island Technology Exchange Institute at the University of Hawaii at Hilo.

The Experimental Program to Stimulate Competitive Research Hawai'i Island Community Advisory Committee and a concerned individual supported this measure. The University of Hawaii at Hilo provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 750, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 750, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 114 Public Safety on H.B. No. 255

The purpose of this measure is to create a medical or compassionate release program under the jurisdiction of the Department of Public Safety for certain ill, disabled, and geriatric inmates who pose a low risk to public safety.

The Hawaii State Commission on the Status of Women, Community Alliance on Prisons, American Civil Liberties Union of Hawaii, Hawaii Women's Coalition, and several concerned individuals supported the measure. The Department of Public Safety supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the medical release program shall be a three-year pilot project;
- (2) Adding definitions of "department" and "director";
- (3) Clarifying that the cost of care will not be used as a consideration in the medical release of an inmate;
- (4) Changing the effective date to July 1, 2050, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 255, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 255, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 115 Public Safety on H.B. No. 363

The purpose of this measure is to improve access to emergency medical care and ambulance services in Ewa Beach by appropriating funds to demolish the Ewa Beach fire station and to construct a Leadership in Energy and Environmental Design certified Emergency Medical Services facility at the same location.

The Department of Health; United Public Workers, AFSCME, Local 646, AFL-CIO; and the City and County of Honolulu, Emergency Medical Services Division supported this measure. The American Chemistry Council offered comments on this measure.

Your Committee has amended this measure by replacing the requirement that the new Emergency Medical Services facility be "Leadership in Energy and Environmental Design certified" with a requirement that the new Emergency Medical Services facility be "energy-efficient and environmentally-sustainable."

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 363, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 363, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representative McDermott.

SCRep. 116 Public Safety on H.B. No. 369

The purpose of this measure is to establish a residential kitchen fire task force to:

- (1) Develop plans to address the dangers of residential kitchen fires; and
- (2) Report its findings and recommendations on reducing the occurrence and severity of residential kitchen fires, including any proposed legislation, to the 2014 Legislature.

The State Fire Council, Kauai Fire Department, County of Hawaii Fire Department, Department of Fire and Public Safety of the County of Maui,

and the Hawaii Fire Chiefs Association supported this measure. The Department of Commerce and Consumer Affairs and the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs supported this measure with amendments. The Building Industry Association of Hawaii and two concerned individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Clarifying that certain members of the task force may be represented by a designee; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 369, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 369, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 117 Public Safety on H.B. No. 651

The purpose of this measure is to update the Uniform Controlled Substances Act in chapter 329, Hawaii Revised Statutes, to allow for electronic controlled substance prescriptions by:

- (1) Adding definitions of "electronic prescription", "electronic prescription application", and "electronic signature" to be consistent with federal law;
- (2) Clarifying the conditions for electronic transmittal of controlled substance prescriptions; and
- (3) Adding and clarifying violations of prohibited acts relating to electronic controlled substance prescriptions.

The Department of Public Safety, CVS Caremark, and Walgreen Co., supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 651 and recommends that it pass Second Reading and be referred to the Committee on Health.

Signed by all members of the Committee except Representative McDermott.

SCRep. 118 Public Safety on H.B. No. 948

The purpose of this measure is to improve the operational efficiency of procedures for petitions to provide involuntary medical treatment to inmates and detainees by:

- (1) Adding definitions of "danger of physical harm to others" and "danger of physical harm to self" to criteria for involuntary medical treatment;
- (2) Providing for the filing of a petition for involuntary medical treatment in either the district court or circuit court;
- (3) Allowing for a declaration to be filed with the petition as an alternative to an affidavit;
- (4) Changing the time requirement for filing a petition for a court order for medical treatment from a period of within two days of an examination of the person to within five days of an examination;
- (5) Narrowing the category of persons who must be notified of the petition to include only a person's legal guardian or emergency contact;
- (6) Deleting an erroneous reference to "commitment" and replacing it with a reference to "treatment";
- (7) Expanding the court's ability to continue the hearing on the petition for good cause;
- (8) Giving the court more flexibility to appoint a temporary guardian or guardian ad litem; and
- (9) Clarifying the effective expiration date of the order for persons who return to custody after release.

The Department of the Attorney General and the Department of Public Safety supported this measure.

Your Committee has amended this measure by clarifying the definition of "danger of physical harm to self" by deleting the reference to an inmate or detainee's ability to satisfy the need for shelter. Technical, nonsubstantive amendments have also been made for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 948, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 948, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 119 Housing/Human Services on H.B. No. 518

The purpose of this measure is to appropriate funds for the State Rent Supplement Program to help homeless working individuals and families, who are ready to rent permanent housing, obtain and maintain permanent housing.

Catholic Charities Hawaii, Community Alliance for Mental Health, Hawaii Youth Services Network, Hawaii Appleseed Center for Law and Economic Justice, and Partners in Care testified in support of this measure. The Hawaii Public Housing Authority, Department of Labor and Industrial Relations Office of Community Services, and an individual commented on this measure.

Your Committees have amended this measure by:

- (1) Expanding eligibility for the appropriation for the State Rent Supplement Program to all working individuals and families, not only to homeless working individuals and families;
- (2) Eliminating the requirement that the rent supplement under the measure will be available via participation in workforce development programs or other programs that provide support to workers to increase self-sufficiency;
- (3) Eliminating the provision that individuals' or families' maximum rent supplement be \$300 per month after households pay a minimum of 40 percent of their adjusted income for rent; and
- (4) Specifying that no individual or family who receives public assistance or other government benefits or entitlements shall qualify to receive moneys appropriated under this measure.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 518, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 518, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 120 Higher Education/Education on H.B. No. 719

The purpose of this measure is to support infrastructure in the State that allows for data-based decision-making by the education community by appropriating an unspecified amount for the Hawaii Educational Policy Center to conduct research and policy analysis.

The Hawaii Educational Policy Center and several concerned individuals supported this measure.

Your Committees have amended this bill by:

- (1) More clearly specifying the purpose of the appropriation;
- (2) Inserting an appropriation amount of \$150,000 for fiscal year 2013-2014 and the same amount for fiscal year 2014-2015; and
- (3) Making technical, nonsubstantive amendments for consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 719, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 719, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 121 Agriculture on H.B. No. 486

The purpose of this measure is to appropriate funds for the implementation and operation of Future Farmers of America and 4-H programs to educate and support youth entering agricultural careers.

The Hawaii Farm Bureau Federation, Monsanto Hawaii, Hawaii Cattlemen's Council, Hawaii County 4-H Livestock Association, The Kohala Center, and several individuals testified in support of this measure. The Department of Agriculture and the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa testified in support of the intent of this measure. One individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 486 and recommends that it pass Second Reading and be referred to the Committees on Education and Higher Education.

Signed by all members of the Committee except Representative Cachola.

SCRep. 122 Agriculture on H.B. No. 502

The purpose of this measure is to support food security and self-sufficiency in the state by:

- (1) Appropriating monies to the Department of Agriculture to create positions within the Department to monitor local food production; and

- (2) Directing the Department of Agriculture to issue a request for proposals pursuant to chapter 103D, Hawaii Revised Statutes, for a report establishing a State food sufficiency baseline based on the percentage of food currently consumed and produced in the State.

The Environmental Caucus of the Democratic Party of Hawaii, the Land Use Research Foundation of Hawaii and eight individuals testified in support of this measure. The Department of Agriculture testified in support of the intent of this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 502, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 123 Agriculture on H.B. No. 503

The purpose of this measure is to provide a General Excise Tax exemption on amounts received by farmers for the sale of fresh farm produce intended for consumption within the State.

The Hawaii Aquaculture & Aquaponics Association and two individuals testified in support of this measure. The Department of Agriculture testified in support of the intent of this measure. The Department of Taxation, the Department of the Attorney General, and the Tax Foundation of Hawaii provided comments on this measure.

Your Committee amended this measure by:

- (1) Changing the effective date of the exemption to apply to gross income or gross proceeds received after December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 503, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 503, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.
(Representative Choy voted no.)

SCRep. 124 Agriculture on H.B. No. 1148

The purpose of this measure is to require the Public Utilities Commission to establish preferential rates for the purchase of energy that is used or consumed for agricultural activities.

Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, Waimanalo Agricultural Association, Maui County Farm Bureau, Ulupono Initiative, Local Food Coalition, Hawaii Aquaculture & Aquaponics Association, Hawaii Cattlemen's Council and two individuals testified in support of this measure. The Department of Agriculture testified in support of the intent of this measure. Blue Planet Foundation testified in support of this measure with amendments. The Public Utilities Commission opposed this measure.

Your Committee has amended this measure by:

- (1) Adding a new subsection to extend the preferential rates to the Department of Agriculture; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1148, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1148, H.D. 1, and be referred to the Committee on Energy & Environmental Protection.

Signed by all members of the Committee except Representative Cachola.

SCRep. 125 Agriculture on H.B. No. 478

The purpose of this measure is to teach good agricultural practices and provide safe healthy foods at schools by:

- (1) Authorizing the growing of food in school gardens for the school meals program;

- (2) Requiring that the food used in meal programs be inspected and certified as safe by the Department of Agriculture; and
- (3) Authorizing schools to permit nonprofit organizations to establish and administer fresh food distribution services.

Environmental Caucus of the Democratic Party of Hawaii, The Kohala Center and one individual testified in support of this measure. Hawaii Farm Bureau Federation supported the intent of this measure but had concerns about the safety of the food grown in school gardens. The Department of Agriculture submitted comments on this measure. The Department of Education opposed this measure.

In response to health concerns and potential liability for the Department of Education, your Committee has amended this measure by:

- (1) Limiting the liability of the Department of Education when fresh foods grown in the school garden are incorporated into a school's meals program and comply with sanitation and hygiene standards; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 478, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 478, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Cachola.

SCRep. 126 Agriculture on H.B. No. 487

The purpose of this measure is to support local agriculture by:

- (1) Expanding livestock feed subsidies to include feed for goats, sheep, lamb, fish, and crustaceans; and
- (2) Appropriating funds to reimburse qualified agricultural producers and to pay the administrative costs of the livestock revitalization program.

The Environmental Caucus of the Democratic Party of Hawaii; Hawaii Aquaculture & Aquaponics Association; Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau; Local Food Coalition; Ulu Pono Initiative; Waimalu Valley Ranch; and one individual testified in support of this measure. Animal Rights Hawai'i testified in opposition to this measure. The Department of Agriculture provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 487, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 487, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 127 Agriculture on H.B. No. 737

The purpose of this measure is to assist agricultural enterprises in Hawaii by authorizing the Department of Budget and Finance to issue special purpose revenue bonds for their benefit.

Alexander & Baldwin, Inc.; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Hawaii Aquaculture & Aquaponics Association; and Land Use Research Foundation of Hawaii testified in support of this measure. The Department of Agriculture supported the intent of this bill. Hawaii BioEnergy, LLC, supported the measure with a proposed amendment. The Department of Budget and Finance offered comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 737, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 128 Agriculture on H.B. No. 154

The purpose of this measure is to authorize the Chairperson of the Board of Agriculture to establish an industrial hemp remediation pilot program, including the appropriation of funds necessary for the pilot program.

Pacific Biodiesel Technologies and several individuals testified in support of this measure. The Department of Agriculture testified in support of the intent of this measure. The Honolulu Police Department testified in opposition of this measure. The Department of Public Safety provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 154, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 154, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cachola.

SCRep. 129 Human Services on H.B. No. 330

The purpose of this measure is ensure that state and county programs, services and activities are accessible to persons with disabilities by setting forth specific compliance requirements for notices of public agency meetings for persons with disabilities.

Hawaii Disability State Rehab Council and two individuals testified in support of this measure. Office of Information Practices submitted testimony opposing this measure. Disability Communication Access Board and City and County of Honolulu Department of Planning and Permitting submitted comments.

Your Committee has amended this measure by:

- (1) Retaining requirements that the notice of public agency meetings include contact information that may be used by persons with disabilities to request necessary accommodations;
- (2) Deleting other notice requirements including those relating to the accessibility of electronic postings to state websites; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 330, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 330, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 130 Human Services on H.B. No. 870

The purpose of this measure is to establish the Interim Assistance Reimbursement Special Fund within the Department of Human Services to enable the Department to use Interim Assistance Reimbursement funds obtained from the federal government for state-funded financial assistance programs for persons qualifying for general assistance, assistance to the aged, blind, and disabled, and temporary assistance for needy families.

The Department of Human Services and the Legal Aid Society of Hawaii submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 870 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 131 Human Services on H.B. No. 869

The purpose of this measure is to allow the Department of Human Services to use other funds appropriated to the Department in determining the allowance for General Assistance to Households Without Minor Dependents Program recipients.

The Department of Human Services, Legal Aid Society of Hawaii, and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 869 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 132 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 227

The purpose of this measure is to foster good working relationships between the Department of Hawaiian Homelands and the counties with respect to the development of affordable housing.

More specifically, this measure:

- (1) Authorizes the issuance of affordable housing credits upon mutual agreement of a county and the Department of Hawaiian Home Lands;

- (2) Repeals the mandate that the counties issue affordable housing credits to the Department of Hawaiian Home Lands for the development of vacant lots; and
- (3) Repeals the provision that prohibits county affordable housing requirements from impairing the county's obligation to apply the credits in full satisfaction of all county requirements.

The Chair and two members of the Kauai County Council, the Department of Planning and Permitting of the City and County of Honolulu, the Kauai County Housing Agency, and one concerned individual testified in support of this measure. The Department of Hawaiian Home Lands and one concerned individual testified in opposition to this measure. The Department of the Attorney General submitted comments on the measure.

Your Committee finds that Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, require counties to issue affordable housing credits to the Department of Hawaiian Home Lands for all existing and future Hawaiian home lands projects upon request, while releasing the department from any income or other requirements attached to a respective county's affordable housing credits.

Your Committee also finds that the relationship between the Department of Hawaiian Home Lands and the respective counties established by these Acts does not encourage the kind of working relationship between the counties and the department that is necessary to effectively address the affordable housing problem in each county. Your Committee supports efforts by the County of Kauai and the Department of Hawaiian Home Lands to work together to resolve this issue.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2013; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 227, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Coffman.

SCRep. 133 Housing on H.B. No. 1117

The purpose of this measure is to provide additional resources for affordable housing development and address the needs of homeless families with children by:

- (1) Repealing the general excise tax exemption for housing projects built on federal lands; and
- (2) Providing that the tax revenues gained from repealing the exemption be deposited into the Rental Housing Trust Fund to be used solely for the purpose of developing affordable rental housing for homeless families with children.

An individual testified in support of this measure. The Department of Budget and Finance, The Chamber of Commerce of Hawaii, and an individual opposed this measure. The Hawaii Housing Finance and Development Corporation, Department of Taxation, and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1117 and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 134 Education on H.B. No. 851

The purpose of this measure is to provide greater flexibility to the Department of Education in the contracting of student transportation by repealing certain statutory regulations pertaining to student transportation including, among other things:

- (1) Factors the Department must consider in developing transportation policy, procedures, and programs;
- (2) Requirements related to school bus contract extensions and school bus contractor compensation; and
- (3) Specified limits on the age of school bus vehicles.

The Department of Education supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 851 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 135 Education on H.B. No. 852

The purpose of this measure is to increase competition in contracting for student transportation services by exempting contracts for student transportation from statutory requirements for labor costs.

The Department of Education supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 852 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 136 Education on H.B. No. 224

The purpose of this measure is to more accurately assess student achievement in the Hawaiian Language Immersion Program by requiring the Department of Education to develop annual assessments in the Hawaiian language for specified subject areas and grade levels.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, ‘Aha Kauleo Kaiapuni Hawai‘i Hawaiian Language Immersion Advisory Council, and numerous concerned individuals supported this measure. Kamehameha Schools supported the intent of this measure. The Department of Education and Hawaii State Teachers Association supported this measure with amendments.

Your Committee observes that this measure directs the Department of Education to consult and work collaboratively with numerous stakeholders in the development of the required Hawaiian language assessments, which may prove to be unwieldy. With all due deference, your Committee respectfully suggests that the Committee on Ocean, Marine Resources, and Hawaiian Affairs may be a more appropriate body to make determinations on this issue.

Your Committee has amended this measure by:

- (1) Requiring that the assessments be administered annually beginning with the 2014-2015 school year, rather than the 2015-2016 school year;
- (2) Requiring the Department of Education to work with the Hawaiian language community and the selected testing contractor to develop the specified ancillary assessment materials and tools, and requiring the materials and tools to be comparable to those developed for Smarter Balanced Assessment Consortium assessments aligned with the Common Core State Standards;
- (3) Eliminating provisions requiring the Department of Education to establish procedures for the development of the required assessments, and instead requiring the Department to develop the specified assessments;
- (4) Inserting an unspecified appropriation to the Department of Education to develop curriculum materials and for professional development;
- (5) Inserting an unspecified appropriation to the Department of Education for the development of the required assessments; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 224, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee.

SCRep. 137 Education on H.B. No. 237

The purpose of this measure is to provide additional educational support for juveniles involved in the justice system by appropriating an unspecified amount in general funds as a grant-in-aid to the Department of Education for alternative schools in the Honolulu School District and Leeward School District to facilitate the ongoing education of this group.

The Department of Education, Office of Youth Services, Department of the Prosecuting Attorney of the City and County of Honolulu, and Hawaii State Teachers Association supported this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting language making reference to a grant-in-aid;
- (2) Including other youth, age 14 or older, who are not able to achieve in a traditional school setting, among those who are eligible to attend the alternative schools;
- (3) Requiring the Department of Education to develop enrollment criteria and a referral and placement process for the alternative schools funded by the appropriations in this measure; and
- (4) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 237, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 237, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 138 Education on H.B. No. 744

The purpose of this measure is to more fully protect students in the State by expanding the prohibition against student bias, in educational and recreational programs and activities that receive state or county funds or use state or county facilities, to include race, religion, and sexual orientation.

The Hawaii State Commission on the Status of Women and American Civil Liberties Union of Hawaii supported this measure. Imua Alliance supported this measure with amendments. The Department of Education opposed this measure.

Your Committee acknowledges and appreciates testimony received suggesting that the language in this measure be expanded to include additional protected classes recognized under state and federal law. Your Committee feels, however, that this determination lies outside of its jurisdiction and respectfully requests the Committee on Judiciary to consider this issue should it choose to hear this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 744 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 139 Education on H.B. No. 569

The purpose of this measure is to encourage the development and operation of after-school programs by establishing a tax credit against the state corporation income tax for corporations that sponsor an after-school program in conjunction with a public school.

The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee believes that the tax credit established by this bill may encourage the development of additional programs to provide enrichment activities for Hawaii's keiki and is a worthy idea for discussion and deliberation. However, your Committee acknowledges that concerns raised by the Department of Taxation merit serious consideration. As such issues fall outside the Committee on Education's jurisdiction, your Committee respectfully requests the Committee on Finance to examine these concerns should this measure move forward.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 569 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 140 Labor & Public Employment on H.B. No. 151

The purpose of this measure is to require the Hawaii Labor Relations Board to resolve complaints within 90 days.

The University of Hawai'i supported the intent of this measure. The Hawaii State Teachers Association and IMUAlliance supported this measure with amendments. The Department of Education and Hawaii Government Employees Association opposed this measure. The University of Hawaii Professional Assembly and the Hawaii Labor Relations Board provided comments.

After further consideration, your Committee understands the concerns of the Hawaii Labor Relations Board regarding its ability to resolve complaints within 90 days in light of current staffing levels. Accordingly, your Committee recommends that your Committee on Finance examine the funding given to the Hawaii Labor Relations Board and determine the appropriate number of days within which the Hawaii Labor Relations Board shall resolve complaints.

Your Committee has amended this measure by:

- (1) Leaving blank the number of days within which the Hawaii Labor Relations Board shall resolve complaints; and
- (2) Changing its effective date to January 1, 2113, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 151, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 151, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 141 Labor & Public Employment on H.B. No. 435

The purpose of this measure is to establish the Office of Talent Management within the Department of Human Resources Development to design and facilitate state initiatives in the areas of talent administration, professional development, performance management, and leadership enterprise.

The measure also appropriates an unspecified amount for the establishment of the office.

The Department of Human Resources Development testified in support of the measure.

Your Committee finds that the proposed Office of Talent Management would be a vital resource and would enable the State to keep up with the needs of an ever-changing workforce by:

- (1) Implementing a comprehensive, integrated curriculum of management development for administrators, managers, and supervisors employed by the State;
- (2) Identifying, developing, and conducting learning and development programs to provide state employees with the expertise they require while also providing state departments with a highly skilled workforce; and
- (3) Assisting state agencies in identifying talented employees who exhibit the traits and abilities that are the hallmarks of a successful leader.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 435 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 142 Labor & Public Employment on H.B. No. 436

The purpose of this measure is to require a workers' compensation examination to be conducted by a qualified impartial doctor whose specialty is appropriate for the injury to be examined.

The Department of Labor and Industrial Relations, ILWU Local 142, Work Injury Medical Association of Hawaii, Hawaii State AFL-CIO, Hawaii Injured Worker Association, the Plumbers and Fitters Union, Local 675, and an individual supported this measure. The Department of Human Resources Development provided comments.

Your Committee has amended this measure by changing its effective date to January 1, 2113, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 436, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 436, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 143 Labor & Public Employment on H.B. No. 578

The purpose of this measure is to ensure good faith collective bargaining by prohibiting:

- (1) A public employer from wilfully implementing or attempting to implement any term of a collective bargaining proposal without the exclusive representative's agreement; and
- (2) A public employee or employee organization from wilfully implementing or attempting to implement any term of a collective bargaining proposal without the employer's agreement.

The Hawaii State Teachers Association and IMUAlliance supported this measure. The Office of Collective Bargaining, Department of Education, Department of the Attorney General, and the Department of Budget and Finance opposed this measure. The University of Hawaii Professional Assembly offered comments on the measure.

Your Committee has amended this measure by changing its effective date to January 1, 2113, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 578, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 578, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 144 Labor & Public Employment on H.B. No. 918

The purpose of this measure is to allow Employment and Training Fund moneys to be used to supplement insufficient funds allocated under the federal Workforce Investment Act as a temporary, stopgap measure during the next year, pending a longer-term solution.

The Department of Labor and Industrial Relations, ILWU Local 142, and the Hawaii Laborers' Union testified in support of this measure.

Your Committee finds that Workforce Investment Act programs are primarily intended to help dislocated workers and other target groups with relevant training programs and intensive job counseling services to prepare them for new careers. In addition, these programs benefit companies by offering

training assistance, access to tax credits, recruitment assistance, and other useful services.

Your Committee recognizes that the Department of Labor and Industrial Relations has been adversely affected by the drastic reduction in Workforce Investment Act funding for state-level administrative purposes. Since 2011, the United States Congress has reduced the cap on total funds that may be used for administrative purposes from fifteen percent to five percent, a sixty-seven percent reduction that represents a loss of \$714,882. Despite the federal funding restriction, the Department's responsibilities, including program and financial management, oversight, administration, contracting, technical assistance, and reporting remain the same.

Your Committee further finds that without the funding assistance provided by this measure, the Department may be unable to fulfill all of its federally mandated responsibilities, which in turn could subject the State to disallowance of costs for non-compliance. These disallowed costs can only be paid with non-federal funds, thereby potentially subjecting state general fund revenues to liability for these costs. This measure clarifies that the moneys collected from employers as part of the employment and training assessments may be used to offset the restriction of Workforce Investment Act funds.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 918 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 145 Labor & Public Employment on H.B. No. 920

The purpose of this measure is to authorize the Labor and Industrial Relations Appeals Board (Board) to establish a \$30 filing fee for workers' compensation appeals and fees for other administrative costs associated with the processing of appeals and to establish a Labor and Industrial Relations Appeals Board Special Fund into which funds shall be deposited for use by the Board.

The Department of Labor and Industrial Relations, the Labor and Industrial Relations Appeals Board, and Hawaii Laborers' Union supported this measure. Hawaii Insurers Council opposed this measure. The ILWU Local 142 and The Chamber of Commerce of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adding a three-year sunset provision; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 920, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 920, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 146 Labor & Public Employment on H.B. No. 922

The purpose of this measure is to allow the Director of Labor and Industrial Relations to make a decision, without a hearing, on disputes regarding treatment plans and continued medical services.

Work Injury Medical Association of Hawaii supported this measure. The ILWU Local 142 supported this measure with amendments. Property Casualty Insurers Association of America and The Chamber of Commerce of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Requiring the consent of both parties if the Director of Labor and Industrial Relations makes a decision without a hearing regarding a proposed treatment plan or whether medical services should be continued; and
- (2) Adding a sunset date of June 30, 2015.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 922, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 922, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 147 Labor & Public Employment on H.B. No. 923

The purpose of this measure is to assist the Department of Labor and Industrial Relations' Disability Compensation Division in reducing its hearings backlog, defray costs associated with the Division's automation system, and improve workers' compensation-related services to the public by:

- (1) Establishing a Disability Compensation Division Special Fund to cover personnel and operating costs incurred in the administration of the State's workers' compensation law;
- (2) Authorizing the Disability Compensation Division to establish reasonable fees for subpoenas and for filing injury reports and hearings applications; and

- (3) Authorizing the establishment of and funding two full-time positions.

The Department of Labor and Industrial Relations supported this measure. The Chamber of Commerce of Hawaii and Hawaii Insurers Council opposed this measure. The International Longshore and Warehouse Union Local 142 offered comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a repeal date of June 30, 2016; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 923, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 923, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 148 Labor & Public Employment on H.B. No. 1177

The purpose of this measure is to transfer jurisdiction over the Hawaii Employer-Union Health Benefits Trust Fund from the Department of Budget and Finance to the Department of Human Resources Development.

Additionally, this measure further restructures the Hawaii Employer-Union Health Benefits Trust Fund by:

- (1) Exempting specified procurements of professional and administrative services from the procurement code;
- (2) Outlining the duties and liabilities of fiduciaries of the trust;
- (3) Authorizing the Employer-Union Health Benefits Trust Fund to retain its own attorneys rather than requiring the Attorney General to provide legal advice and representation;
- (4) Increasing the size of the Board of Trustees of the Employer-Union Health Benefits Trust Fund from ten to twelve members and adjusting the quorum and voting requirements accordingly;
- (5) Specifying the several collective bargaining units for which Board representation is required;
- (6) Specifying the several public employers both within the executive branch of state Government and among the several counties for which Board representation is required;
- (7) Requiring the creation of a sub-board of trustees if the exclusive representative of a collective bargaining unit negotiates a specific contribution to apply to only that bargaining unit;
- (8) Making indefinite each trustee's term of office;
- (9) Requiring the Chief Justice of the Hawaii Supreme Court to fill vacancies if the appointing authority fails to do so; and
- (10) Clarifying the source of contributions for the different types of beneficiaries.

Testimony in support of this measure was received from the Mayor of Kauai. Testimony in opposition to this measure was received from the Department of Budget and Finance and the State Procurement Office. Comments on this measure were received from the Department of Human Resources Development.

Your Committee finds that the various structural changes proposed under this measure will improve and facilitate the operations and administration of the Employer-Union Health Benefits Trust Fund.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1177 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 149 Health on H.B. No. 848

The purpose of this measure is to update the Insurance Code by:

- (1) Amending the definition of "small business" for consistency with the federal Health Insurance Portability and Accountability Act of 1996 and Patient Protection and Affordable Care Act; and
- (2) Applying the statutory requirements for the licensing of insurance producers to health maintenance organizations and mutual benefit societies, so that those entities can participate in the Hawaii Health Connector established pursuant to the federal Patient Protection and Affordable Care Act.

The Hawaii Primary Care Association and Hawaii Medical Service Association testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2050, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 848, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 848, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 150 Health on H.B. No. 844

The purpose of this measure is to protect public health and safety by requiring physical therapists practicing in the State to submit evidence of completing a specified amount of continuing competence activities when renewing their license to practice physical therapy.

The Board of Physical Therapy, Hawaii Chapter of the American Physical Therapy Association, and two individuals testified in support of this measure. Two individuals testified in opposition to this measure. One individual provided comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 844 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 151 Health on H.B. No. 847

The purpose of this measure is to give the Hawaii Medical Board new disciplinary authority by authorizing the board to summarily suspend any license to protect the public from immediate or unreasonable threats, fraud, or misrepresentation and to order licensees to submit to mental and physical examinations when the board has reasonable cause to believe a licensee is unable to practice medicine.

The Department of Commerce and Consumer Affairs submitted testimony in support of the measure. The Hawaii Medical Service Association and Hawaii Medical Association supported the measure with amendments. The Hawaii Medical Board submitted comments.

Your Committee finds that further discussion on this measure is needed, and has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 847, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 847, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 152 Judiciary on H.B. No. 139

The purpose of this measure is to clarify that state law on funds transfers applies to a remittance transfer unless the remittance transfer is an electronic fund transfer under federal law.

No testimony was received on this bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 139 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Wooley.

SCRep. 153 Judiciary on H.B. No. 206

The purpose of this measure is to amend state mandatory ethics training laws by:

- (1) Requiring all state employees who must file public financial disclosure statements with the Hawaii State Ethics Commission to attend ethics training each year;
- (2) Allowing additional classes to be held throughout the year as determined by the Commission; and
- (3) Allowing the length of the course to be determined by the Commission.

The Hawaii State Ethics Commission, Common Cause Hawaii, Americans for Democratic Action/Hawaii, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 206 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Wooley.

SCRep. 154 Judiciary on H.B. No. 238

The purpose of this measure is to assist in securing the cooperation of witnesses by increasing the amount of the per diem stipend for out-of-state witnesses, as well as the per diem stipend for witnesses who must travel to another island when an overnight stay is required.

The Crime Victim Compensation Commission; Department of the Prosecuting Attorney of the City and County of Honolulu; Office of the Prosecuting Attorney, County of Kauai; and a concerned individual testified in support of this measure. The Department of Budget and Finance provided comments on this bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 238 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Wooley.

SCRep. 155 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 550

The purpose of this measure is to amend the definition of improved public lands by clarifying that a public entity's duty to warn of dangerous natural conditions only applies to lands that are developed or maintained by the State or relevant county.

The measure also excludes from the definition of improved public lands voluntary trails created by users of public lands and public beach parks.

The Department of Land and Natural Resources, City and County of Honolulu, and numerous individuals testified in support of the measure. The Hawaii Association for Justice testified in opposition to the measure. One individual submitted comments.

Your Committees find that Act 82, Session Laws of Hawaii 2003, was enacted to limit the liability of the State and counties with regard to inherent risks arising from the recreational use of public lands under their jurisdiction when signs meeting the requirements of the Act are posted to warn of those risks. The Legislature found that allowing the State and counties to manage these risks would encourage the State and counties to take reasonable steps to protect citizens from harm and prevent the closure of public lands to recreational use. Your Committees find that this measure will allow the State and counties to make better use of their limited resources by clarifying where warning signs should be placed and that the State or a county will not be liable for injuries that occur on voluntary trails that were not created or maintained by the State or a county.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 550 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Coffman.

SCRep. 156 Water & Land on H.B. No. 998

The purpose of this measure is to make permanent a prohibition of private transfer fees for real property.

More specifically, this measure proposes to prohibit the inclusion in a deed of a restriction or other covenant running with the land that requires a transferee of real property to pay a fee in connection with a future transfer of the property.

Your Committee finds that Act 169, Session Laws of Hawaii, 2010, provided a temporary prohibition on the inclusion in a deed of a restriction or other covenant running with the land that requires a transferee of real property to pay a fee in connection with a future transfer of the property. Prior to this Act, there was no state regulation of the imposition, application, or limitation of private transfer fees for future property transfers and, therefore, no oversight or accountability.

Your Committee finds that thirty-six other states have either banned or placed restrictions on private transfer fees, excluding the private transfer fees paid to homeowners associations, condominiums, cooperatives, and certain tax-exempt organizations that use private transfer fee proceeds to benefit the property. Your Committee also finds that Act 169, Session Laws of Hawaii is to be repealed on June 30, 2015, but that the public would benefit from making the prohibition on private transfer fees for future transferees for real property permanent.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 998 and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Coffman and Hanohano.

SCRep. 157 Water & Land on H.B. No. 216

The purpose of this measure is to authorize the Office of Hawaiian Affairs to conduct a financial review of state departments and agencies that use or manage public lands and the revenues generated therefrom to determine compliance with reporting requirements for revenue generated by public trust lands.

The Office of Hawaiian Affairs, Papa Ola Lokahi, the Association of Hawaiian Civic Clubs, and two concerned individuals testified in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the Department of Land and Natural Resources, the Department of Budget and Finance, and any other state department or agency that uses or manages public lands shall fully cooperate and assist the Office of Hawaiian Affairs with regard to the financial review and shall respond within thirty days after any financial review-related request made by the Office of Hawaiian Affairs; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 216, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 216, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representative Coffman.

SCRep. 158 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 933

The purpose of this measure is to give the Board of Land and Natural Resources the discretionary authority to grant easements for less than fair market value for structures that were, at the time of construction, authorized by an appropriate regulatory agency and located landward of the shoreline within the record boundary of an oceanfront property but, over time, have become located seaward of the shoreline because of the dynamic nature of the shoreline.

One individual testified in support of this measure. The Department of Land and Natural Resources and the Office of Planning submitted comments.

Your Committees have amended this measure by:

- (1) Incorporating language provided by the Department of Land and Natural Resources and the Office of Planning to clarify that:
 - (A) The grant of an easement for a special shoreline encroachment shall not be construed as the State's approval of any risk taken by a littoral property owner; and
 - (B) Easements granted for a special shoreline encroachment shall take into account the public policies of shoreline protection and access as well as the risks to life and property posed by coastal hazards;
- (2) Changing its effective date to July 1, 2020, for the purpose of encouraging further discussion on this matter; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 933, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 933, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Coffman.

SCRep. 159 Health/Human Services on H.B. No. 872

The purpose of this measure is to:

- (1) Ensure continued timely payments to nursing facilities; and
- (2) Prevent disruption in providing medically necessary services to program recipients,

by making an emergency appropriation of \$12,000,000 for Fiscal Year 2012-2013 out of the Nursing Facility Sustainability Program Special Fund. This appropriation will enable the Department of Human Services to draw down federal dollars for supplemental payments to nursing facilities to help offset uncompensated care provided to Medicaid enrollees, thus ensuring their access to quality care.

The Department of Human Services, Healthcare Association of Hawaii, and Hawaii Long Term Care Association testified in support of this measure.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in his Governor's Message No. 208 to the Legislature, requested immediate consideration and passage of this bill by the Legislature.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 872 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 160 Health/Human Services on H.B. No. 879

The purpose of this measure is to continue the Hospital Sustainability Program established by Act 217, Session Laws of Hawaii 2012, by:

- (1) Extending its repeal date to 2014;
- (2) Updating the referral dates in the statute; and
- (3) Appropriating \$46,000,000 out of the Hospital Sustainability Program Special Fund for fiscal year 2013-2014.

The Department of Human Services, Hawaii Health Systems Corporation, The Chamber of Commerce of Hawaii, The Queen's Health Systems, and Healthcare Association of Hawaii testified in support of this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 879, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 879, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 161 Health/Human Services on H.B. No. 880

The purpose of this measure is to continue the Nursing Facility Sustainability Program established by Act 156, Session Laws of Hawaii 2012, by:

- (1) Extending its repeal date; and
- (2) Appropriating funds for the Program for fiscal year 2013-2014 out of the Nursing Facility Sustainability Program Special Fund.

The Department of Human Services, Healthcare Association of Hawaii, Hawaii Long Term Care Association, and Hawaii Health Systems Corporation testified in support of this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 880, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 880, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 162 Transportation on H.B. No. 364

The purpose of this bill is to effectuate its title.

H.B. No. 364 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the action to report out H.B. No. 364, as amended herein, and recommends that it be recommitted to the Committee on Transportation, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 364, H.D. 1.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 163 Higher Education on H.B. No. 115

The purpose of this bill is to effectuate its title.

H.B. No. 115 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the action to report out H.B. No. 115, as amended herein, and recommends that it be recommitted to the Committee on Higher Education, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 115, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 164 Judiciary on H.B. No. 18

The purpose of this measure is to establish certain uniform requirements and standards in the event that specified government agencies publish specified legal materials solely in electronic form.

The Judiciary, the Commission to Promote Uniform Legislation, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 18 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Wooley.

SCRep. 165 Transportation on H.B. No. 942

The purpose of this measure is to establish the Harbors and Parks Development Authority to coordinate and administer programs to make optimal use of harbors and park lands for the economic, environmental, and social benefit of the people of Hawaii.

The Department of Land and Natural Resources supported this measure. BIA-Hawaii and The Chamber of Commerce of Hawaii supported the intent of this measure. Hawaii's Thousand Friends; Life of the Land; Maui Tomorrow Foundation, Inc.; Occupy the PLDC; People for the Preservation of Kauai; Puna Pono Alliance; UNITE HERE! Local 5 Hawaii; Sierra Club, Hawai'i Chapter; Ocean Tourism Coalition; 'Āina Haina Community Association; Ma'alaea Community Association; Activities & Attractions Association of Hawaii; and numerous concerned individuals opposed this measure.

Your Committee has grave concerns about this measure and understands the importance of transparency and community representation. Specifically, your Committee has concerns over Makena Beach Park. Your Committee is moving this measure forward for discussion purposes.

Your Committee has amended this measure by:

- (1) Increasing the number of voting members of the Harbors and Parks Authority from five to seven voting members;
- (2) Requiring that two of the seven voting members represent community organizations relating to the environment and be appointed by the Governor;
- (3) Changing the effective date to July 1, 3000, to promote further discussion;
- (4) Adding a five-year sunset provision; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 942, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 942, H.D. 1, and be referred to the Committees on Water & Land and Finance.

Signed by all members of the Committee.
(Representative Ing voted no.)

SCRep. 166 Energy & Environmental Protection on H.B. No. 901

The purpose of this measure is to:

- (1) Clarify that the solid waste management surcharge applies to certain solid waste disposed of in landfills or shipped outside the State for disposal;
- (2) Clarify that the solid waste management surcharge applies to solid waste disposed of at waste-to-energy facilities that accept 150,000 tons or more of solid waste annually;
- (3) Increase the solid waste management surcharge using a tiered structure commensurate with the impact of the means of disposal on the Department of Health; and
- (4) Clarify who is responsible for paying the solid waste management surcharge.

The Department of Health; Department of Environmental Services of the City and County of Honolulu; and Sierra Club, Hawaii Chapter

provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Leaving the solid waste management surcharge amounts unspecified; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee believes that the Committee on Finance is the appropriate committee to determine the increased solid waste management surcharge amounts.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 901, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 901, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Evans and Hanohano.

SCRep. 167 Energy & Environmental Protection on H.B. No. 902

The purpose of this measure is to include energy and dietary supplement beverage containers in the Deposit Beverage Container Program.

The Department of Health, Sierra Club Hawaii Chapter, Conservation Council for Hawaii, and an individual supported this measure. The Hawaii Food Industry Association and an individual opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 4, 2100, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 902, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 902, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Evans and Hanohano.
(Representative Fale voted no.)

SCRep. 168 Energy & Environmental Protection/Health on H.B. No. 911

The purpose of this measure is to establish an Environmental Information Technology Office within the Department of Health.

The Office of Information Management and Technology, Office of Hawaiian Affairs, Department of Health, and a few individuals supported this measure.

Your Committees have amended this measure by:

- (1) Specifying that the Environmental Information Technology Office shall have no overlapping information technology functions and responsibilities with the Office of Information Management and Technology;
- (2) Requiring that the Environmental Information Technology Office follow the lifecycle governance framework established by the Chief Information Officer in the State of Hawaii Business and Information/Technology Resource Management Transformation Plan published in October 2012; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 911, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 911, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Cheape.

SCRep. 169 Energy & Environmental Protection on H.B. No. 754

The purpose of this measure is to improve air quality by:

- (1) Requiring a county to investigate and notify the Department of Health if a report is made regarding a possible nuisance involving air pollution;
- (2) Clarifying air-polluting nuisances; and

- (3) Explicitly authorizing the Director of Health to enter and investigate reports of air-polluting nuisances.

Numerous individuals supported this measure. The Department of Environmental Services of the City and County of Honolulu; Maui Forest Bird Recovery Project; Maui Permaculture Network; Pacifica Island Art, Inc.; and numerous individuals opposed this measure. The Department of Health, Alexander & Baldwin, Hawaii Farm Bureau Federation, and several individuals commented on this measure.

Your Committee notes that this measure makes no substantive change as to what constitutes air pollution; rather this measure only:

- (1) Changes a county's reporting requirements to the Department of Health; and
- (2) Allows the Director of Health to enter and investigate a building or place upon receipt of a complaint of foul or noxious odors, gases, or vapors emanating from the building or place.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 754, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 754, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Evans and Hanohano.

SCRep. 170 Energy & Environmental Protection on H.B. No. 932

The purpose of this measure is to promote renewable energy in Hawaii by, among other things:

- (1) Providing that all penalties, fees, and costs established and collected by the Department of Land and Natural Resources pursuant to Chapter 182, Hawaii Revised Statutes, (Reservation and Disposition of Government Mineral Rights), be deposited in the Special Land and Development Fund;
- (2) Including geothermal resources within the definition of a renewable energy producer; and
- (3) Clarifying the permitting procedures for regulators and renewable energy developers considering geothermal development.

The Department of Land and Natural Resources; the Department of Business, Economic Development, and Tourism; Enterprise Honolulu; Indigenous Consultants, LLC; and the Innovations Development Group supported this measure. A concerned individual opposed this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 932, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 932, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Evans and Hanohano.

SCRep. 171 Economic Development & Business on H.B. No. 416

The purpose of this measure is to establish the Zipline Oversight Board within the Department of Commerce and Consumer Affairs (DCCA) and to create the Ziplines Special Fund for the operating costs of the Board.

The Department of Commerce and Consumer Affairs respectfully opposed this measure citing the Auditor's Report No. 12-08 that concluded that the need to regulate zipline and canopy tour operators has not been established. Also, DCCA expressed concern that the bill would require the regulation of commercial activity outside its jurisdiction. Further, the Department of Budget and Finance (B&F) opposed the creation of the Ziplines Special Fund as unnecessary.

While your Committee understands and appreciates the opposition of DCCA and B&F to this measure, your Committee finds that public safety concerns warrant further scrutiny of the matter.

Accordingly, your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 416, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 416, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cachola.

SCRep. 172 Economic Development & Business on H.B. No. 964

The purpose of this measure is to clarify the general excise tax exemption for certain scientific contracts with the United States to conform to the federal Internal Revenue Code.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii offered comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 964, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 964, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 173 Judiciary on H.B. No. 198

The purpose of this measure is to increase efficiency in voting and election operations by requiring the absentee ballot for a voter requesting permanent absentee status to be mailed to:

- (1) The mailing address contained on the voter's most recently completed affidavit on application for voter registration; or
- (2) A different mailing address if the voter submits a temporary mailing authorization for the absentee ballot.

The Office of Elections, Office of the County Clerk of the County of Kauai, Office of the County Clerk of the County of Maui, Office of the County Clerk of the County of Hawaii, and the League of Women Voters of Hawaii supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 198, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 198, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Wooley.

SCRep. 174 Labor & Public Employment on H.B. No. 1174

The purpose of this measure is to repeal statutorily-specified monetary amounts for employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund for enrolled employee beneficiaries in the various self and family plans.

The Hawaii Government Employees Association (HGEA), AFSCME Local 152, AFL-CIO; HGEA Retirees Unit; HGEA Retirees Unit, Oahu Chapter; and a few concerned individuals supported this measure. The Department of the Attorney General, Department of Budget and Finance, and Honolulu Police Department opposed this bill.

Your Committee has amended this measure by changing the effective date to January 1, 2113, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1174, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 175 Housing on H.B. No. 535

The purpose of this measure is to require the Department of Human Services (DHS), in consultation with the mayors of the applicable counties and public or private homeless assistance programs, to designate in each county, temporary nighttime parking lots to provide safe overnight parking for homeless individuals who live and sleep in their motor vehicles and would otherwise park overnight on public or private roads or property.

An individual testified in support of this measure. The State Homeless Coordinator opposed this measure. The Department of Human Services and several individuals commented on this measure.

Your Committee would like to note that the provision in the measure regarding the adoption of rules facilitating outreach, job counseling, and health care services to homeless individuals at temporary nighttime parking lots, was inadvertently retained. Should the Committee on Judiciary consider this measure, your Committee respectfully requests that the above-mentioned provision be deleted.

Your Committee has amended this measure by:

- (1) Authorizing, rather than requiring, DHS, in consultation with the mayor of the applicable county and any interested public or private homeless assistance programs, to designate temporary nighttime parking lots;

- (2) Appropriating \$1,000,000 for fiscal year 2013-2014 for the designation of temporary nighttime parking lots; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 535, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 535, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 176 Housing on H.B. No. 740

The purpose of this measure is to reduce the consumption of alcohol on any sidewalk or common area within any public housing project or state low-income housing project by prohibiting the possession or storage of any bottle, can, or other receptacle containing intoxicating liquor that has been opened, whose seal has been broken, or whose contents have been partially removed.

The Hawaii Public Housing Authority testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 740 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 177 Transportation on H.B. No. 90

The purpose of this measure is to establish a temporary Emergency Response Vehicle Noise Task Force within the Department of Health to examine the use and effectiveness of lights and sirens on emergency response vehicles when these vehicles respond to emergency calls. Specifically, the Task Force shall determine:

- (1) The noise impact of sirens used by emergency response vehicles and whether these sirens enhance the safety of first responders and the public; and
- (2) The effectiveness of the use of lights rather than sirens by emergency response vehicles at night.

The State Fire Council, City and County of Honolulu Emergency Medical Services Division, and numerous concerned individuals supported this measure. The Department of Transportation supported the intent of this measure. The Queen's Medical Center offered comments on this measure.

Your Committee has amended this measure by:

- (1) Reducing the number of members on the task force;
- (2) Changing the effective date to July 1, 2050, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 90, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 90, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 178 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 359

The purpose of this measure is to establish a framework for the Department of Land and Natural Resources to examine and inspect the vessels, containers, equipment, and records of commercial fishers within the West Hawaii Regional Fishery Management Area.

The Office of Hawaiian Affairs, West Hawaii Fisheries Council, Quality Marine, ESAIA e.V, Pet Industry Joint Advisory Council, Conservation Council for Hawaii, and numerous individuals testified in support of the measure. Coral Fish Hawaii and one individual testified in opposition to the measure. The Department of Land and Natural Resources submitted comments.

Your Committee finds that the Legislature established the West Hawaii Regional Fishery Management Area to improve the management of consumptive and nonconsumptive uses of aquatic resources encompassing the regional ocean area on the west coast of Hawaii Island. However, the success of the West Hawaii Regional Fishery Management Area continues to be threatened by the difficulties of resource monitoring and ensuring compliance with fishery management area regulations.

Your Committee also finds that the limited capacity of resources enforcement personnel, and their lack of inspection authority absent evidence establishing probable cause, prevents the Department of Land and Natural Resources from effectively monitoring compliance with these regulations. This measure will provide enhanced tools to better ensure compliance and monitoring of direct resource extraction activities within the West Hawaii Regional Fishery Management Area.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 359, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 359, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Coffman.

SCRep. 179 Legislative Management on H.B. No. 358

The purpose of this measure is to require both chambers of the Legislature to permit neighbor island residents to present testimony through audiovisual technology, including by appropriating funds to establish audiovisual systems throughout the State.

Americans for Democratic Action/Hawaii and a few individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 358 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McKelvey.

SCRep. 180 Legislative Management on H.B. No. 361

The purpose of this measure is to:

- (1) Authorize the Governor to establish a Fair Access Commission; and
- (2) Require both the Fair Access Commission and the Joint Legislative Access Committee to review, evaluate, and make recommendations for improving the level of access by neighbor island and rural Oahu residents to proceedings, information, and services of government.

A few individuals provided testimony in support of this measure. The Office of Information Practices provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Judiciary shall determine which of its records are non-administrative records that are not subject to the Uniform Information Practices Act; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 361, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 361, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McKelvey.

SCRep. 181 Legislative Management on H.B. No. 1132

The purpose of this measure is to improve openness, transparency, and confidence in state government by requiring each legislator to annually file a disclosure of financial interests statement between January 1 and January 31.

The Hawaii State Ethics Commission, the League of Women Voters of Hawaii, Americans for Democratic Action/Hawaii, Common Cause Hawaii, and a few individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1132 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McKelvey.

SCRep. 182 Legislative Management on H.B. No. 1209

The purpose of this measure is to require the Legislative Broadcast Program to:

- (1) Make an audio or audiovisual recording of all public hearings and informational briefings held at the State Capitol; and
- (2) Maintain an archive of the recordings to be made available to the public.

This measure also appropriates \$30,000 for each year of fiscal biennium 2013-2015 for the purchase of necessary recording equipment and archival materials, and the hiring of necessary staff.

The Americans for Democratic Action Hawaii, the League of Women Voters of Hawaii, and a few individuals supported this measure. The Legislative Reference Bureau (LRB) and Common Cause Hawaii provided comments on this measure.

Your Committee notes that LRB, the entity tasked with implementing the bill and expending the funds appropriated thereby, has expressed concerns that it does not have statutory authority over the Legislative Broadcast Program.

Your Committee further notes that LRB surmised that the expansion of the current Legislative Broadcast Program as proposed by this measure would cost an estimated \$2,242,000, excluding hardware costs such as recording equipment and cameras for the House and Senate chambers, the auditorium, and every single conference room in the State Capitol that holds a public hearing. The additional hardware costs would need to be incurred by the contractor, Olelo, or the Department of Commerce and Consumer Affairs. The LRB further surmised that providing closed captioning would cost an additional \$784,700, which would bring the total cost of implementing this measure to approximately \$3,026,700, excluding hardware costs.

Your Committee further notes that it is unclear as to whether closed captioning is legally required and requests that your Committee on Finance considers these concerns.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1209 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McKelvey.

SCRep. 183 Labor & Public Employment on H.B. No. 634

The purpose of this measure is to require the retention of employees during a divestiture of a covered establishment by the successor employer.

More specifically, this measure provides that in the event of a divestiture of a covered establishment that employed not less than one hundred persons in the preceding twelve months, the successor employer:

- (1) Shall hire all incumbent non-supervisory and non-confidential employees;
- (2) Shall not require incumbent employees to file employment applications with the successor employer, unless the existing files are incomplete;
- (3) May conduct criminal conviction record checks, drug screening, and other pre-hire screening checks for incumbent employees not prohibited by law; and
- (4) May not have to retain all of the incumbent employees if the business of the successor employer is substantially dissimilar to the former employer's business or if the need for employees is less.

Testimony in support of this measure was submitted by the Hawaii State American Federation of Labor and Congress of Industrial Organizations and the International Longshore and Warehouse Union Local 142. Testimony in opposition to this measure was submitted by the Maui Chamber of Commerce, The Chamber of Commerce of Hawaii, National Federation of Independent Business Hawaii, Retail Merchants of Hawaii, VIP Foodservice, and one individual. The Department of Labor and Industrial Relations submitted comments.

Your Committee finds that this measure would provide job security for employees who would be displaced during a divestiture of a covered establishment by requiring the successor employer to retain all incumbent non-supervisory and non-confidential employees, subject to certain exceptions. This measure would minimize the disruption that often occurs upon divestiture. Workers would not be dislocated or face financial uncertainty, customers would see business continuing with little disturbance, and the economy would not be impacted by increased unemployment.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 634 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takumi.

SCRep. 184 Labor & Public Employment on H.B. No. 1028

The purpose of this measure is to assist Hawaii's workers. Specifically, this bill:

- (1) Extends the time an individual's maximum weekly benefit amount will be calculated at 75 percent of the average weekly wage from December 31, 2012, to December 31, 2013;
- (2) Sets, for calendar year 2013, the employer contribution rate at schedule F; and
- (3) Increases the hourly minimum wage of workers to \$8 beginning on January 1, 2014; \$8.25 beginning on January 1, 2015; and \$8.75 beginning on January 1, 2017.

The American Civil Liberties Union of Hawaii; Hawaii Catholic Conference; and a concerned individual supported this measure. The Hawaii State AFL-CIO supported the intent of this bill. The ILWU Local 142; Hawai'i Island Chamber of Commerce; Japanese Chamber of Commerce & Industry of Hawaii; National Federation of Independent Business Hawai'i; City Mill Company, Ltd.; Gyotaku Japanese Restaurants; and a number of concerned individuals opposed this measure. The Department of Labor and Industrial Relations; The Chamber of Commerce of Hawaii; Retail Merchants of Hawaii; Island Princess; and a concerned individual provided comments.

Your Committee recognizes that there were concerns regarding the tip credit and requests that the Committee on Finance examine this issue further, should it decide to hear this measure.

Your Committee has amended this measure by:

- (1) Changing the hourly minimum wage:
 - (A) From \$8.00 to \$7.75 beginning on January 1, 2014; and
 - (B) To \$8.75 beginning on January 1, 2016, rather than January 1, 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1028, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1028, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 185 Labor & Public Employment on H.B. No. 1173

The purpose of this measure, among other things, is to provide for the settlement by the parties of disputes over contribution amounts paid by the State and counties to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) by final and binding arbitration, rather than subjecting the contribution amount determined to legislative oversight.

The Hawaii Government Employees Association supported this bill. The Department of Budget and Finance stated that it did not support this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by changing its effective date to January 1, 2113, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1173, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1173, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 186 Labor & Public Employment on H.B. No. 1367

The purpose of this measure is to allow charter schools and their employees more flexibility to negotiate collective bargaining agreements that work for their unique environments and missions. Specifically, this measure allows governing boards of charter schools and exclusive representatives to enter into master agreements separate from any other master agreement collectively bargained for between the exclusive representatives and the Department of Education.

Hawaii Public Charter Schools Network, Hale Kipa, and Enterprise Honolulu supported this measure. The Hawaii State Teachers Association opposed this measure. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Allowing governing boards of charter schools and exclusive representatives to enter into:
 - (A) A single master agreement rather than separate master agreements; and
 - (B) Supplemental agreements that contain only noncost items to facilitate decentralized decision-making and addresses the needs of individualized charter schools; and
- (2) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1367, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1367, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Takumi.

SCRep. 187 Water & Land on H.B. No. 1249

The purpose of this measure is to support the restoration and management of certain areas in East Hawaii by:

- (1) Establishing the Banyan Drive Community Development District;
- (2) Establishing the Banyan Drive Community Development Board to serve a purpose similar to that of the Hawaii Community

Development Authority for the Banyan Drive Community Development District; and

- (3) Amending the composition, qualifications, and members' voting rights of the Hawaii Community Development Authority to account for the establishment of the Banyan Drive Community Development District and Board.

Your Committee received testimony in support of this measure from a member of the Hawaii County Council. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Executive Director of the Hawaii Community Development Authority, and one individual.

Your Committee has amended this measure by:

- (1) Deleting language relating to the establishment of the Banyan Drive Community Development District and its governing authority;
- (2) Establishing the Hawaii Community Development Board and the Hawaii Community Development District in Chapter 206, Hawaii Revised Statutes;
- (3) Authorizing the Hawaii Community Development Board to advise the Department of Land and Natural Resources in the preservation and management of the Hawaii Community Development District;
- (4) Deleting all provisions that amended the composition, qualifications, and members' voting rights of the Hawaii Community Development Authority; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1249, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Coffman.

SCRep. 188 Water & Land on H.B. No. 476

The purpose of this measure is to increase efficiency in the operations of the Hawaii Community Development Authority by limiting the prohibition on the sale or assignment of certain lands in the Kakaako Community Development District and requiring the Authority to conduct a cost-benefit analysis of the sale or purchase of certain lands in the Kakaako Community Development District.

The Executive Director of the Hawaii Community Development Authority testified in support of the intent of this measure. Two individuals testified in support.

Your Committee has amended this measure by:

- (1) Clarifying that any sale or assignment of lands by the Hawaii Community Development Authority, other than those currently exempted from the general prohibition, shall require a finding by the Authority of conformity with any applicable community development plan; and
- (2) Changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 476, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 476, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Coffman and Hanohano.

SCRep. 189 Water & Land on H.B. No. 1103

The purpose of this measure is to require that impact fees be assessed and collected from a developer prior to the issuance of a water meter.

The Department of Water of the County of Kauai, Maui County Department of Water Supply, and Board of Water Supply of the City and County of Honolulu testified in support of this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2020, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1103, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1103, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Coffman and Hanohano.

SCRep. 190 Consumer Protection & Commerce on H.B. No. 207

The purpose of this measure is to strengthen the policy of open and transparent government by requiring financial disclosure statements to be filed with the State Ethics Commission by members of certain boards and commissions.

More specifically, this measure requires members of the following boards and commissions to file financial disclosure statements with the State Ethics Commission and makes the statements available for inspection and duplication:

- (1) Board of Agriculture;
- (2) Board of Land and Natural Resources;
- (3) Hawaii Labor Relations Board;
- (4) Hawaii Homes Commission;
- (5) Labor and Industrial Relations Appeals Board;
- (6) Public Utilities Commission; and
- (7) Board of Regents of the University of Hawaii.

Testimony in support of this measure was submitted by the Hawaii State Ethics Commission. Written comments were submitted by the Public Utilities Commission.

Your Committee finds that the purpose of the financial disclosure requirement of the state ethics code is to foster public confidence in the state government by allowing the public to review financial disclosure statements to determine possible conflicts of interests. Under the ethics code, a number of public officials, including directors and deputy directors of state executive departments, the administrator and deputy director of the courts, members of the Board of Education, the superintendent and deputy superintendent of education, the state librarian and deputy state librarian, and members of the Legislature, are currently required to provide publicly available financial disclosure statements to the State Ethics Commission. Because the members of the boards and commissions named in this measure are vested with significant authority by virtue of their role as a member of the board or commission, it is reasonable to require these members to provide publicly available financial disclosure statements. Mandatory financial disclosure would clarify that the member has no conflict of interest when exercising the member's powers and duties.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to promote further discussion on this issue.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 207, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 207, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 191 Consumer Protection & Commerce on H.B. No. 134

The purpose of this measure is to clarify the law regarding the right of disposition of human remains by:

- (1) Establishing a priority system of persons who may direct the disposition of a decedent's remains and the arrangements for funeral goods and services;
- (2) Providing that funeral establishments, cemeteries, mortuaries, and crematories rely and act upon written directions from the decedent or persons who claim the right of disposition without liability; and
- (3) Permitting funeral establishments, cemeteries, mortuaries, and crematories to control the disposition of a decedent's remains, in manners currently prescribed by law, under certain circumstances.

Dodo Mortuary, Inc. & Crematory; Hawaii Funeral and Cemetery Association, Inc.; Hawaiian Memorial Life Plan, Ltd.; Hosoi Garden Mortuary, Inc.; Leeward Funeral Home; Mililani Group, Inc.; Nuuanu Memorial Park & Mortuary; and the Oahu Cemetery Association testified in support of this measure. The Hawaii Association for Justice testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Permitting, rather than mandating funeral establishments, cemeteries, mortuaries, and crematories to rely and act according to the disposition instructions of appropriate priority class members;
- (2) Specifying that funeral establishments, cemeteries, mortuaries, and crematories shall be subject to liability for the disposition of remains under circumstances of gross negligence, or intentional, or wanton conduct; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 134, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 134, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 192 Consumer Protection & Commerce on H.B. No. 791

The purpose of this measure is to clearly provide that directors of a nonprofit corporation shall have access to the books and records of the corporation to the extent reasonably related to the performance of their duties.

The Department of the Attorney General, the Hawai'i Alliance of Nonprofit Organizations, and the Maui NonProfit Directors Association testified in support of this measure.

Your Committee finds that sections 414D-301 through 414D-304, Hawaii Revised Statutes, create a judicially enforceable right for members of a membership-based nonprofit corporation to inspect the books and records of the corporation. However, there is no comparable provision to ensure that a director of a nonprofit corporation shall have reasonable access to the books and records of the corporation.

Your Committee further finds that, in order to comply with the duty of care imposed upon directors under state law, a director of a nonprofit corporation must be informed and have access to basic financial and operational data of the corporation. This measure requires the corporation to give reasonable access to the director and provides for enforcement by the courts.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 791 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 193 Consumer Protection & Commerce on H.B. No. 153

The purpose of this measure is to clarify that the value of work done by an unlicensed contractor shall not be used to offset the valuation of property for the purposes of establishing the degree of unlicensed contractor fraud.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and the Maui County Department of the Prosecuting Attorney submitted testimony in support of this measure.

Your Committee finds that a contract for work performed by an unlicensed contractor is illegal; therefore, allowing an unlicensed contractor to use the value of its work as an offset enables the unlicensed contractor to receive gain from the illegal contract. This measure would clarify the calculation of the value paid or lost by a victim for the purpose of determining the offense of unlicensed contractor fraud in the first or second degree.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 153 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 194 Consumer Protection & Commerce on H.B. No. 809

The purpose of this measure is to require the Public Utilities Commission to include an update of the public utilities commission special fund receipts and expenditures as part of its annual report to the Governor instead of as a separate report to the Legislature.

The Public Utilities Commission submitted testimony in support of this measure.

Your Committee finds that the Public Utilities Commission is required to submit to the Governor an annual report on the Commission's actions during the preceding fiscal year, which the Governor is required to furnish to the Legislature. In addition, the Commission is required to submit a report annually to the Legislature detailing funds received and funds expended from the public utilities commission special fund. Combining these two annual reports would conserve resources without reducing the information made available to the public and result in a single comprehensive annual document relating to the Commission's finances and functions.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 809 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 195 Consumer Protection & Commerce on H.B. No. 835

The purpose of this measure is to clarify and correct errors in Hawaii's securities laws.

Specifically, this measure:

- (1) Corrects a grammatical error in the definition of the term "security;"
- (2) Amends the definition of "security" to correctly state the fourth element of an investment contract as determined by the Hawaii Supreme Court in *State v. Hawaii Market Center, Inc.*, 52 Haw. 642, 485 P.2d 105 (1971); and
- (3) Corrects an erroneous citation to the federal Securities and Exchange Act of 1934.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure. The American Council of Life Insurers submitted written comments on this measure.

Your Committee finds that the amendments to the Hawaii Uniform Securities Act made by this measure will correct errors and clarify provisions in state law, making it easier to follow and consistent with best practices.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 835 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Har.

SCRep. 196 Economic Development & Business on H.B. No. 329

The purpose of this measure is to narrow the scope of gross proceeds to which the general excise tax exemption for certain scientific contracts with the United States applies.

The Department of Taxation testified in support of this measure. Pukoa Scientific and one individual testified in opposition to this measure. The Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 329 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 197 Education on H.B. No. 853

The purpose of this measure is to ensure that Hawaii's children receive the early foundation and support necessary to avoid remedial training and achieve success in their future educational endeavors by proposing an amendment to the Hawaii State Constitution to permit the appropriation of public funds for private early childhood education programs.

The Governor, Department of Human Services, Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Business Roundtable, the Education Division of Chaminade University of Honolulu, Kamehameha Schools, Child & Family Service, Teacher Education Coordinating Committee, the Community Children's Councils, Hawai'i Association for the Education of Young Children, Imua Alliance, Special Education Advisory Council, Hawaii Association of Independent Schools, and several concerned individuals supported this bill. The Hawaii State Teachers Association opposed this measure. The Department of Education, Department of Health, and Good Beginnings Alliance provided comments.

Your Committee on Education finds that in an increasingly competitive and global environment, it is imperative that Hawaii's children be given every opportunity to thrive. As extensive research has shown, 85 percent of a child's brain development occurs before age five, making these early years, and access to early learning opportunities, crucial to future success. Nevertheless, statistics show that the majority of students in three-quarters of Department of Education kindergarten classrooms in the 2012-2013 school year did not start school with the basic skills necessary to succeed. Your Committee strongly believes that such glaring disparity can be addressed by a state commitment and investment in quality early learning opportunities.

Hawaii is one of only eleven states that does not have a state-funded early education program. Your Committee would like to emphasize that while currently, not all Department of Education elementary school campuses have the necessary resources to implement preschool programs to accommodate all young children eligible to participate, there exists a robust network of private early education providers willing and able to partner with the State to ensure that all Hawaii's keiki, regardless of means, receive the best possible foundation upon which to be successful. This cannot be accomplished without the State's firm commitment.

Your Committee finds, though, that the Hawaii State Constitution prohibits the appropriation of public funds for the support or benefit of private education institutions, limiting the State's ability to take advantage of the infrastructure, experience, and expertise that already exists in the private sector. This measure, then, proposes a narrowly-defined amendment to the state constitution for the public's approval aimed at permitting the appropriation of public funds for private early education programs. This would allow the formation of public-private partnerships for early childhood education programs while ensuring that the Legislature has the sole authority to define and oversee such programs.

Additionally, your Committee emphasizes that the constitutional amendment proposed by this measure is specifically and narrowly designed to fund early education programs that are not available through the current Department of Education public school system. It is not intended in any way to interfere with the State's funding of public, kindergarten through twelfth grade, education and will not result in any public funds being used for private, kindergarten through twelfth grade, education.

As such, your Committee strongly believes this measure serves the best interests of Hawaii's youth and the State as whole, and respectfully recommends that it continue to move forward in the legislative process.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 853 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Cheape.

SCRep. 198 Education on H.B. No. 862

The purpose of this measure is to more adequately prepare Hawaii's children for success in school by establishing a School Readiness Program as part of the State's Early Learning System.

The Governor, Department of Education, Department of Human Services, Department of the Attorney General, Department of the Prosecuting

Attorney of the City and County of Honolulu, University of Hawaii, Chaminade University of Honolulu, Education Division of Chaminade University of Honolulu, Hawaii State PTSA, Good Beginnings Alliance, Teacher Education Coordinating Committee, Child & Family Service, Hawaii Association of Independent Schools, Hawaii Baptist Early Education Association, the Community Children's Councils of Hawaii, Special Education Advisory Council, Hawaii Business Roundtable, and numerous concerned individuals supported this bill. The Hawai'i Association for the Education of Young Children supported the intent of this measure. The Institute for Native Pacific Education and Culture and a concerned individual supported this bill with amendments. Several concerned individuals opposed this measure. The Department of Health provided comments.

Your Committee notes that this measure is one of three bills designed to implement the Early Learning System established in Chapter 302L, Hawaii Revised Statutes (HRS). A comprehensive Early Education Program encompassing social-emotional and intellectual development that is tied to educational outcomes for all eligible preschool-aged children is the ultimate aim of the State's Early Learning System. However, the implementation of such a system is dependent upon the formation of public-private partnerships that require a voter-approved change to the Hawaii State Constitution. In the interim, the elimination of junior kindergarten and the change in the entry age for kindergarten, which will take effect in 2014 pursuant to Act 178, Session Laws of Hawaii 2012, necessitates a more immediate solution to accommodate the approximately 5,000 late-born students who will require a developmentally appropriate early learning program.

Your Committee finds that the junior kindergarten program, while designed to serve preschoolers in the year prior to kindergarten, has never fully been implemented and is not readily able to accommodate varying levels of enrollment. Independent junior kindergarten classrooms have only been developed at approximately one-third of Department of Education schools. Public schools with too few eligible students have either not accommodated those students at all, or have included them in kindergarten classrooms, which limits the amount of time and material dedicated specifically to the junior kindergarten level.

Conversely, this measure proposes a School Readiness Program that lays the foundation for a comprehensive early education program and addresses the needs, not only of those late-born students affected by the elimination of junior kindergarten but also of all preschool-aged children in the State, by preparing them to enter kindergarten with the socialization skills necessary to take full advantage of their public school education.

Your Committee finds that early learning experiences prepare students to flourish once they enter the public school system, ensuring that teachers spend less time rectifying deficiencies and more time guiding their students toward greater educational achievement.

It is your Committee on Education's intention that this measure be inclusive of the expanse of early learning approaches, service deliveries, and settings available to preschool-aged children and their families. However, your Committee recognizes that this will require continued dialogue between the Legislature and the early learning community as this measure evolves through the legislative process.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the School Readiness Program to prioritize low- and moderate-income families;
- (2) Including providers exempt from licensure by the Department of Human Services under section 346-152, HRS, as eligible providers of school readiness services;
- (3) Requiring, rather than authorizing, the Executive Office on Early Learning to adopt rules and requiring those rules to be adopted in accordance with Chapter 91, HRS; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 862, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 862, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Cheape.

SCRep. 199 Education on H.B. No. 864

The purpose of this measure is to improve educational outcomes in the State by providing a comprehensive structure for the delivery of early childhood education. Specifically, this measure establishes the Early Childhood Education Program to prepare young children for school and provide them with access to high-quality early childhood education that addresses their physical, cognitive, linguistic, social, and emotional development.

The Governor, Department of the Attorney General, Department of Education, Department of Human Services, University of Hawaii, Department of the Prosecuting Attorney of the City and County of Honolulu, Chaminade University of Honolulu, the Education Division of Chaminade University of Honolulu, Hawaii State PTSA, Good Beginnings Alliance, Hawaii Business Roundtable, Hawaii Association of Independent Schools, Teacher Education Coordinating Committee, Hawai'i Association for the Education of Young Children, the Community Children's Councils of Hawaii, Hui for Excellence in Education, Special Education Advisory Council, Child & Family Service, and many concerned individuals supported this bill. The Department of Health and several concerned individuals provided comments.

Your Committee finds that early childhood education plays a critical role in determining a child's future success and there is clear disparity between those children who have access to such education and those who do not. In many cases, this access is a determining factor in whether or not a child enters kindergarten ready to learn.

Unfortunately, even with an increasingly healthy economy, Hawaii's high cost of living prevents many families from accessing quality early learning experiences for their children. As one of only eleven states that does not publicly fund some type of early education program, it is incumbent upon the State to consider a means by which to ensure that all of Hawaii's youngest residents have the opportunity to develop their innate talent and capacity; it is imperative that all students have the opportunity to enter kindergarten equipped with the skills necessary to maximize their public education experience.

Your Committee finds that this measure provides the framework for a publicly-funded early education program that takes advantage of existing resources and infrastructure to help mitigate and eventually eliminate the achievement gap in Hawaii's public schools. By investing in early childhood education, the State will realize both near- and long-term returns as teachers spend less time on remedial education and discipline and more time helping their students reach their fullest potential.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, the Executive Office on Early Learning to adopt rules, and requiring that those rules be adopted in accordance with chapter 91, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 864, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 864, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano, Nakashima and Cheape.

SCRep. 200 Human Services on H.B. No. 400

The purpose of this measure is to protect the welfare of children by:

- (1) Establishing a preference for allowing a child to remain in the family home if it is more likely than not that the child will be safe from harm in the family home; and
- (2) Requiring the alleged perpetrator of abuse to leave the family home under certain circumstances.

The Department of Human Services supported the intent of this bill. The Department of the Attorney General submitted comments.

Your Committee has amended this measure by:

- (1) Providing that in certain circumstances, the court must consider whether the alleged or potential perpetrator of imminent harm, harm, or threatened harm should be removed from the family home rather than continuing the child's placement in foster care; provided that the child's family must bear the burden of establishing that it is in the child's best interests to remove the child, rather than the alleged or potential perpetrator from the family home; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 400, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 400, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Belatti.

SCRep. 201 Human Services on H.B. No. 1208

The purpose of this measure is to generate revenues for certain human services and health programs by authorizing the Department of Human Services to establish fees for the licensing, certification, and certification renewal for providers of home and community-based case management, community care foster family homes, adult day care center agencies and services, and for nurse aides.

The Department of Human Services and Adult Foster Home Association submitted testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Requiring the Department of Human Services to gather data and recommend reasonable fees rather than determine fees, to be adopted by rule, for the licensure of community-based case management programs, nurse aides, community-based foster homes, and adult day care centers;
- (2) Deleting the mandates that Department of Health adopt rules for fee collection procedures applicable to community-based case management agencies and community care foster homes;
- (3) Deleting the requirement for the Department of Health to adopt fees set by the Department of Human Services for programs transferred from the Department of Human Services; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1208, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1208, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 202 Human Services on H.B. No. 529

The purpose of this measure is to require all operators of adult foster homes, assisted living facilities, and expanded adult residential care homes to obtain and maintain a sufficient amount of liability insurance with respect to their operation.

An individual testified in support of this measure. The State Council on Developmental Disabilities testified in support of the intent of this measure. The Department of Health and Department of Human Services testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Using the definition of "developmental disabilities domiciliary home" in section 321-15.9, Hawaii Revised Statutes, instead of expanding the definition of "adult residential care home" to include developmental disabilities domiciliary homes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 529, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 529, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 203 Transportation on H.B. No. 692

The purpose of this measure is to authorize the Department of Transportation to issue revenue bonds for capital improvement projects for harbor improvements.

The International Longshore and Warehouse Union Local 142 Hawaii, General Contractors Association of Hawaii, a member of the Maui County Council, and the Ocean Tourism Coalition supported this measure. The Department of Transportation supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to promote further discussion;
- (2) Deleting references to "general obligation bonds" and substituting "revenue bond funds" instead; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 692, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 692, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 204 Transportation on H.B. No. 983

The purpose of this measure is to streamline the operations of the Department of Transportation (DOT) by repealing the Commission on Transportation in DOT.

The DOT supported this measure. A member of the Commission on Transportation opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 983, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 983, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 205 Labor & Public Employment on H.B. No. 1453

The purpose of this measure is to reform the public educational system, by, among other things:

- (1) Providing that each public school shall maintain a specified student-to-teacher ratio, notwithstanding any collective bargaining agreement;
- (2) Establishing heterogeneous classroom compositions;

- (3) Requiring the use of textbooks published no more than two years prior to the school year;
- (4) Incorporating the Advancement via Individual Determination program in all grade levels;
- (5) Requiring the Department of Education (Department) to provide Internet access in each classroom;
- (6) Requiring each public school to seek community involvement;
- (7) Requiring the Department to maintain certain information on its public website;
- (8) Expanding statewide student performance standards to enable students to achieve international competitiveness and requiring the provision of accredited external assistance to schools that do not show improvement;
- (9) Requiring specified tests in electronic format to measure student performance;
- (10) Authorizing the discharge of teachers who fail to improve performance outcomes;
- (11) Setting starting teacher salaries commensurate with educational attainment and permitting higher starting salaries at schools whose students do not meet statewide performance standards;
- (12) Establishing evaluations for teachers at least once in each quarter of a school year;
- (13) Authorizing the Department to conduct unannounced, random site visits at each public school to inspect the school's financial administration and operation; and
- (14) Appropriating an unspecified amount of funds for each public school to increase community involvement.

A concerned individual supported this measure. IMUAlliance and two concerned individuals opposed this measure. The Department of Education and the Hawaii State Teachers Association provided comments.

Your Committee notes that the requirement for current textbooks contained in Section 1 of this measure merits further investigation to address other types of curriculum materials and teaching tools used in the classroom. Your Committee respectfully requests that your Committee on Education address this matter, if it chooses to consider this measure.

Your Committee has amended this measure by:

- (1) Removing the provision regarding collective bargaining concerning the specified student-to-teacher ratios;
- (2) Removing the provision that authorized the discharge of teachers who failed to improve performance outcomes;
- (3) Removing the provision that required the evaluation of teachers at least once in each quarter of a school year and addressed the scope of evaluations; and
- (4) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1453, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1453, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Takumi.

SCRep. 206 Water & Land on H.B. No. 429

The purpose of this measure is to require legislative approval by a simple majority vote for a concurrent resolution by both houses of the Legislature for any amendment or exception to the Kakaako Final Mauka Area Plan and to the Kakaako Makai Area Plan adopted by the Hawaii Community Development Authority.

The Outdoor Circle and one individual submitted testimony in support of this measure. The Executive Director of the Hawaii Community Development Authority submitted testimony in opposition to this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 429, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 429, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Coffman and Hanohano.

SCRep. 207 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1392

The purpose of this measure is to preserve moving images in Hawaii and support the activities of the 'Ulu'ulu: The Henry Ku'ualoha Giugni

Moving Image Archive of Hawai'i (Archive) by:

- (1) Making a general fund appropriation of \$236,203 for fiscal year 2013-2014 and the same sum for fiscal year 2014-2015 into the 'Ulu'ulu: The Henry Ku'ualoha Giugni Moving Image Archive of Hawai'i Special Fund (Special Fund); and
- (2) Authorizing the appropriation of \$236,203 for fiscal year 2013-2014 and the same sum for fiscal year 2014-2015 out of the Special Fund to support the activities of the Archive.

The Department of Business, Economic Development, and Tourism, University of Hawaii-West Oahu, and numerous concerned individuals testified in support of this measure.

Your Committee has amended this bill by:

- (1) Changing the amount of funds deposited into and authorized to be expended from the Special Fund from \$236,203 to an unspecified amount;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1392, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1392, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 208 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1396

The purpose of this measure is to preserve, perpetuate, share the legacy, and tell the story of Americans of Japanese ancestry who served in the armed forces of the United States, as well as those who were detained in internment camps, during World War II. Specifically, this bill appropriates \$500,000 in general funds to be used as matching funds for the establishment of the Nisei Veterans Legacy Center and Honouliuli Internment Camp Educational Center.

The University of Hawaii-West Oahu, Hawaii Civil Rights Commission, and a concerned individual testified in support of this bill. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated for the planning, design, and construction of the Nisei Veterans Legacy Center and Honouliuli Internment Camp Educational Center from \$500,000 to an unspecified sum;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1396, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1396, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 209 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1422

The purpose of this measure is to preserve Hawaii's history and encourage the rehabilitation of historic properties. Among other things, this bill:

- (1) Establishes the Historic Preservation Revolving Fund to be administered by the State Historic Preservation Division and to be expended for the Historic Preservation Income Tax Credit;
- (2) Establishes the Historic Preservation Income Tax Credit for the rehabilitation of historic structures approved by qualified staff of the State Historic Preservation Division;
- (3) Establishes parameters for the Historic Preservation Income Tax Credit;
- (4) Requires the Director of Taxation to prepare forms necessary for the claiming of the Historic Preservation Income Tax Credit;
- (5) Authorizes the Director of Taxation to require the taxpayer to furnish information to ascertain the validity of the claim for the Historic Preservation Income Tax Credit;
- (6) Sets an unspecified ceiling on the aggregate amount of tax credits that may be claimed for qualified rehabilitation projects;
- (7) Provides means for the recapture of the Historic Preservation Income Tax Credit should the taxpayer fail to meet certain requirements

regarding the rehabilitation project; and

- (8) Requires the State Historic Preservation Division, in consultation with the Department of Taxation, to submit an annual report to the Legislature evaluating the effectiveness of the tax credit and its findings and recommendations to improve the effectiveness of the tax credit in order to further encourage the rehabilitation of historic properties.

The Department of Land and Natural Resources and Historic Hawaii Foundation testified in support of this bill. The Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the State Historic Preservation Division, rather than the Hawaii Historic Places Review Board, monitor the annual projected tax credit amount and inform the Department of Taxation of this amount;
- (2) Clarifying that a taxpayer claiming the Historic Preservation Income Tax Credit submit the taxpayer's written, certified statement of qualified costs expended for the tax credit to the State Historic Preservation Division rather than the Hawaii Historic Places Review Board;
- (3) Changing its effective date to December 31, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1422, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1422, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 210 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 564

The purpose of this measure is to recognize the sacrifices made by members of the armed services. Specifically, this bill:

- (1) Establishes flat rates for the state vehicle weight tax for vehicles owned by permanently totally disabled veterans who are residents of Hawaii and who were honorably discharged from the uniformed armed services; and
- (2) Defines a permanently totally disabled veteran.

The Oahu Veterans Council and Military Officers Association of America, Hawaii Chapter, testified in support of this measure. The State Office of Veterans Services and Department of Customer Services of the City and County of Honolulu testified in support of the intent of this bill. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that a veteran must be other than dishonorably discharged from the uniformed armed forces, rather than simply honorably discharged, to qualify for the flat rate for the state vehicle weight tax;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 564, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 564, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 211 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1128

The purpose of this measure is to assist the airline industry by exempting from general excise and use taxes amounts received from the sale or use of aviation fuel admitted into a foreign-trade zone and purchased by a common carrier for consumption or use in air transportation between two points in the State.

A concerned individual testified in support of this bill. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that

is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1128, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1128, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 212 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 161

The purpose of this measure is to limit the exposure of veterans' federal disability benefits to creditors by:

- (1) Exempting the benefits from the claims of creditors;
- (2) Providing that the benefits are not subject to attachment, levy or seizure, as provided by federal law; and
- (3) Prohibiting the awarding of the benefits to another person;

provided that the foregoing shall not apply to that portion of service-connected disability benefits that are subject to child and spousal support enforcement under federal law.

The Oahu Veterans Council submitted testimony in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 161 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Brower.

SCRep. 213 Housing on H.B. No. 560

The purpose of this measure, as received by your Committee, is to authorize Hawaii Housing Finance and Development Corporation (HHFDC) and Hawaii Community Development Authority (HCDA) to develop programs to issue development credits to housing projects that incorporate urban gardening programs; provided that HHFDC and HCDA consult with the University of Hawaii College of Tropical Agriculture and Human Resources (UH-CTAHR) regarding best practices in urban gardening.

The League of Women Voters of Hawaii and an individual testified in support of this measure. HHFDC opposed this measure. Two individuals submitted comments.

Upon consideration, your Committee has amended this measure by deleting its contents and instead authorizing HHFDC and HCDA to develop programs that provide incentives for the development of housing projects that incorporate urban gardening programs; provided that UH-CTAHR is consulted regarding best practices in urban gardening.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 560, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 560, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 214 Housing on H.B. No. 1119

The purpose of this measure is to improve Hawaii's public housing by appropriating funds to assist the Hawaii Public Housing Authority with the redevelopment of Mayor Wright Homes.

The Hawaii Public Housing Authority testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1119 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 215 Housing on H.B. No. 795

The purpose of this bill is to update the Hula Mae Single Family mortgage loan program by:

- (1) Eliminating certain eligibility criteria to allow more families to participate;
- (2) Including down payment assistance as a new feature of the program; and
- (3) Deleting provisions that relate to inactive programs.

The Department of Business, Economic Development, and Tourism, Hawaii Housing Finance and Development Corporation, and the Hawaii

Association of REALTORS testified in support of this bill. One individual opposed this bill.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 795 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 216 Economic Development & Business on H.B. No. 1368

The purpose of this measure is to increase the General Excise Tax and Use Tax for certain, specified services and commodities and to direct the deposit of 20 percent of such taxes to the Department of Education (DOE) for the operations of the DOE.

Parents for Public Schools Hawai'i and numerous individuals testified in support of this measure. The Department of Budget and Finance, and two individuals testified in opposition to this measure. The Department of Taxation and IMUAlliance offered comments.

Your Committee is cognizant that collective bargaining considerations between the State and unionized teacher organizations may relate to this measure. Your Committee notes that neither the DOE nor Hawaii State Teachers Association attended the hearing on this measure to answer important questions from Committee members. Yet, the pointed and passionate testimony of the individuals and teachers who testified on this measure demonstrates that this matter warrants further discussion.

Accordingly, your Committee has amended this measure by:

- (1) Inserting unspecified amounts in place of the specified tax increases;
- (2) Removing the language that directed 20 percent of the sum of tax revenue to the DOE; and
- (3) Changing its effective date to January 20, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1368, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1368, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Tokioka.
(Representative Ward voted no.)

SCRep. 217 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1352

The purpose of this measure is to protect the water rights of kuleana land owners by exempting kuleana lands from all state, county, and municipal taxation, fees, and charges of every kind for water usage in connection with the kuleana landowner's appurtenant water rights.

A few individuals provided testimony in support of this measure. The Department of Land and Natural Resources, Commission on Water Resource Management, Center for Hawaiian Sovereignty Studies, and a few individuals provided testimony in opposition to this bill. The Department of Taxation provided comments.

Your Committees have amended this measure by changing its effective date to July 1, 2020, for the purpose of encouraging further discussion.

Your Committees note the concern raised by the Department of Land and Natural Resources that a nexus does not exist between the State Water Code and taxation for water usage. Nevertheless, your Committees wish to continue the discussion on this issue further and urge the proponents of this measure to present information explaining the link between the State Water Code and taxation for water usage.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1352, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1352, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee and Thielen.
(Representative Coffman voted no.)

SCRep. 218 Judiciary on H.B. No. 269

The purpose of this measure is to amend the Hawaii State Constitution by requiring candidates for state legislative office to be a resident of the State for not less than five years and a resident of the legislative district from which they are candidates for not less than twelve months prior to the next general election.

The Ironworkers Stabilization Fund testified in support of this measure. The League of Women Voters and IMUAlliance testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Deleting language to increase the residency requirement to five years, and restoring the original requirement of three years residency in the State; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 269, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 269, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Ito, Lee and Wooley.

SCRep. 219 Education on H.B. No. 318

The purpose of this measure is to mandate a periodic financial and management audit of the administration of the Department of Education.

IMUAlliance supported this measure. The Department of Education provided comments.

Your Committee has amended this measure by:

- (1) Modifying the scope of the required audit from a periodic review to a one-time audit;
- (2) Appropriating \$1,000,000 to be expended by the Office of the Auditor to conduct the audit; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 318, H.D. 1, and be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 220 Energy & Environmental Protection on H.B. No. 106

The purpose of this measure is to amend the law regarding geothermal resources by, among other things:

- (1) Repealing Act 97, Session Laws of Hawaii 2012, thereby:
 - (A) Allowing the counties to issue geothermal resource permits;
 - (B) Allowing the State and counties to designate geothermal resource subzones and exploratory wells; and
 - (C) Eliminating definitions distinguishing "geothermal resources exploration" and "geothermal resources development" for mining leases, resource exploration on state lands, and land classification and usage pursuant to chapters 182 and 205, Hawaii Revised Statutes (HRS);
- (2) Creating procedures, including application, public-hearing, and mediation processes, for the assessment and designation of geothermal resource subzones and exploratory wells; and
- (3) Allowing, subject to applicable public-hearing and permitting processes, geothermal resource development and exploration as permissible land uses in all state land use districts established under section 205-2, HRS.

Life of the Land, UNITE HERE Local 5, and numerous individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism, the Department of Land and Natural Resources, Enterprise Honolulu, and an individual testified in opposition of this measure. The Judiciary, the Maui County Department of Planning, Big Island Community Coalition, Indigenous Consultants, LLC, and two individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2025, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 106, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 106, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.
(Representative Coffman voted no.)

SCRep. 221 Energy & Environmental Protection on H.B. No. 856

The purpose of this measure is to establish a regulatory financing structure that authorizes the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to provide low-interest loans for green infrastructure property.

The Office of the Governor; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Public Utilities Commission; Division of Consumer Advocacy; Blue Planet Foundation; Enterprise Honolulu; Hawaii PV Coalition; Division of Consumer Advocacy; The Pacific Resource Partnership; RevoluSun; Sierra Club Hawaii Chapter; Sunetric; and the Ulu Pono Initiative submitted testimony in support of this measure. The State Procurement Office, Hawaii Electric Company, Hawaii Electric Light Company, Maui Electric Company, Hawaii Renewable Energy Alliance, and the Hawaii Solar Energy Association submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Public Utilities Commission to include in its annual report information on financing orders issued, adjustments made to the public benefits fee, and credits provided to electric utility customers pursuant to the issuance of green infrastructure bonds;
- (2) Requiring an annual report to be submitted by the Hawaii Green Infrastructure Authority on the activities and fiscal ramifications of the green infrastructure loan program and the issuance of green infrastructure bonds beginning with the regular session of 2015;
- (3) Requiring a one-time report to be submitted by the Department of Business, Economic Development, and Tourism on the activities and fiscal ramifications of the Hawaii Green Infrastructure Authority's administration of the green infrastructure loan program and the issuance of green infrastructure bonds;
- (4) Changing its effective date to January 28, 2100, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 856, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 856, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 222 Energy & Environmental Protection on H.B. No. 562

The purpose of this measure is to diminish the need for landfills in Hawaii by authorizing the Hawaii public housing authority to enter into contracts with private businesses to divert food and green waste from public housing projects to other business sectors, including agriculture and energy generation.

The Hawaii Public Housing Authority and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the ability of the Hawaii Public Housing Authority to enter into contracts with private businesses to remove "food waste" and "green waste" is permissive; and
- (2) Changing its effective date to July 1, 2100, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 562, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 562, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 223 Energy & Environmental Protection on H.B. No. 1149

The purpose of this measure is to protect the public against health and safety hazards and to preserve the natural beauty of Hawaii by establishing standards and assurances of adequate financial resources for the safe and proper decommissioning of wind energy facilities at the end of their useful lives.

The Division of Consumer Advocacy and several concerned individuals provided testimony in support of this measure. Hawaii Renewable Energy Alliance provided testimony in opposition of this measure. The Department of Business, Economic Development, and Tourism; First Wind; ILWU Local 142; and a few concerned individuals provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1149, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1149, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 224 Public Safety on H.B. No. 1056

The purpose of this measure is to support a successful restorative justice-based pilot program that safely brings offenders, victims, and their respective personal supporters together in a carefully managed, safe environment to foster reconciliation, strengthen rehabilitation, and develop a reentry

transition plan for the offender. Specifically, this measure:

- (1) Appropriates funds for the expansion of the Restorative Reentry Circles pilot program to correctional facilities statewide; and
- (2) Requires the Department of Public Safety to contract with a health and human services provider to establish Restorative Reentry Circles programs in correctional facilities statewide.

The Department of Public Safety, Office of Hawaiian Affairs, American Civil Liberties Union of Hawaii, and Community Alliance on Prisons supported this bill.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1056, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1056, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 225 Public Safety on H.B. No. 1278

The purpose of this measure is to provide more adequate monetary compensation to law enforcement and other serving officers by increasing various fees for services related to the service of process.

The Department of Public Safety and a concerned individual supported this measure. A concerned individual provided comments.

Your Committee notes that with the change in law last year to permit any person "approved by the court" to serve process, any person over 18 years of age and not a party to the lawsuit may serve process, which may present challenges for those requiring a service of process. Your Committee encourages subsequent committees, should they choose to hear this measure, to also consider the broader issue of who is qualified to serve civil process while contemplating fee increases.

Your Committee has amended this measure by:

- (1) Making unspecified all fee amounts; and
- (2) Changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1278, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1278, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.
(Representative McDermott voted no.)

SCRep. 226 Consumer Protection & Commerce on H.B. No. 136

The purpose of this measure is to address the problem of uninsured vehicles in the State by:

- (1) Establishing a working group to assist in the development of a program to identify uninsured motor vehicles in the State using web-based technology;
- (2) Establishing the motor vehicle insurance verification special fund to develop and operate a program to identify uninsured motor vehicles in the State;
- (3) Removing duplicative requirements regarding insurance identification cards, safety inspections, and driver examinations;
- (4) Removing judges' discretionary authority to suspend a fine for failure to have insurance if a defendant later obtains insurance; and
- (5) Requiring that a portion of certain specified fines be deposited into the motor vehicle insurance verification special fund.

The Department of Commerce and Consumer Affairs, City and County of Honolulu, Honolulu Police Department, and Hawaii Insurers Council testified in support of this measure. Property Casualty Insurers Association of America testified in support of this measure with amendments. The Department of Budget and Finance, State Farm Mutual Automobile Insurance Company, and several individuals testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Specifying that the motor vehicle insurance verification program shall adhere to industry standards as prescribed by the Insurance Industry Committee on Motor Vehicle Administration;

- (2) Deleting the section that amended the state motor vehicle registration fee;
- (3) Adding a new section to establish a state vehicle emblem fee of \$1; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Finance consider whether the state vehicle emblem fee of \$1 is an appropriate and effective means of promoting safer roads, should that Committee consider this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 136, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 136, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.
(Representative McDermott voted no.)

SCRep. 227 Consumer Protection & Commerce on H.B. No. 22

The purpose of this measure is to adopt the Uniform Partition of Heirs Property Act, which establishes procedures and remedies for use in actions for partition of real property involving heirs property.

The Commission to Promote Uniform Legislation and one individual testified in support of the measure.

Your Committee finds that, generally, any cotenant of a tenancy-in-common may file an action with the appropriate court to partition the property. If the cotenants cannot agree on parcels of equal value, the court will often order a partition by sale, whereby the property is sold as a single parcel and the proceeds are distributed to the cotenants in equal shares. Your Committee further finds that in court actions involving heirs property, a type of tenancy-in-common in which relatives are cotenants, partitions by sale initiated by nonfamily cotenants often result in family members losing their assets for prices well below market value. This measure establishes a process designed to protect a family's property holdings, whereby all owners of heirs property are treated fairly when one or more cotenants wish to sell their share.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 22 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Har.

SCRep. 228 Consumer Protection & Commerce on H.B. No. 234

The purpose of this measure is to enhance collection of payments pursuant to a court order of judgment for restitution in a criminal matter by:

- (1) Requiring service of orders of income withholding upon a defendant's employer and requiring compliance by the employer;
- (2) Authorizing state tax refund intercepts for the collection of restitution;
- (3) Eliminating the court's authority to revoke a sentence of restitution upon petition of a defendant;
- (4) Allowing money deposited for bail or bond to be used to satisfy restitution, fines, or fees; and
- (5) Providing crime victims with limited access to Adult Probation records for information relating to court-ordered payments.

The Crime Victim Compensation Commission testified in support of this measure. The Department of the Attorney General and State Farm Mutual Automobile Insurance Company provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the section that eliminated the court's authority to revoke a sentence of restitution;
- (2) Adding an appropriation of an unspecified amount to the Judiciary to enhance restitution collection;
- (3) Changing its effective date to July 1, 2112, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Judiciary consider the effects of this measure on small businesses in the State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 234, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 234, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 229 Consumer Protection & Commerce on H.B. No. 632

The purpose of this measure is to make state government more open and transparent by:

- (1) Requiring all agencies to make all data sets under each agency's control open and available to the public;
- (2) Absolving the State for liability for deficiencies or incomplete data; and
- (3) Requiring the Chief Information Officer, in consultation with the Office of Information Practices, to adopt rules to make data sets available to the public.

The Office of Information Management and Technology, Hawaii Open Data, Hawaii Innovation Alliance, Big Island Press Club, and numerous individuals testified in support of this measure. The Department of Commerce and Consumer Affairs, Office of Information Practices, Public Utilities Commission, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting a preamble to specify that the purpose of this measure is to promote open government as identified in the State of Hawaii Business and Information Technology/Information Resource Management Plan;
- (2) Clarifying that the data set availability policies pursuant to this measure apply only to executive branch departments and do not require the creation of new data sets;
- (3) Specifying that the data sets shall be made public through the State's open data portal at data.hawaii.gov or successor website pursuant to rules promulgated by the Chief Information Officer;
- (4) Adding definitions for "data", "data set", and "open data";
- (5) Specifying that the State is not absolved from liability for deficiencies in data sets in cases where the State's conduct would constitute gross negligence, wilful and wanton misconduct, or intentional misconduct;
- (6) Allowing the Chief Information Officer to make electronic data sets on the State's open data portal available to third parties pursuant to a license;
- (7) Specifying that the Chief Information Officer, in consultation with the Office of Information Practices, shall adopt rules by July 1, 2015;
- (8) Appropriating an unspecified sum to the Office of Information Practices to establish an unspecified number of full time employee positions, to promote open data, and to the Department of Accounting and General Services for departments and agencies to provide open data coordinators; and
- (9) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 632, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 632, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 230 Consumer Protection & Commerce on H.B. No. 178

The purpose of this measure is to require licensed social workers in Hawaii to complete continuing education courses as a condition of license renewal.

Specifically, this measure requires licensed social workers in Hawaii to:

- (1) Complete a minimum of fifteen credit hours of continuing education courses for the licensing renewal period beginning July 1, 2013, through June 30, 2016; and
- (2) Complete a minimum of forty-five credit hours of continuing education courses during each licensing renewal period beginning July 1, 2016.

The Department of Commerce and Consumer Affairs, Hawaii State Commission on the Status of Women, National Association of Social Workers, Hawaii Chapter, Hawaii Psychological Association, and eleven concerned individuals, including licensed social workers, and graduate students and professors of social work, submitted testimony in support of this measure.

Your Committee finds that licensed social workers provide necessary services in prevention, intervention, and treatment to a broad spectrum of clients, many of whom are vulnerable or in crisis. However, unlike many other licensed professionals, social workers are not required to complete continuing education courses in order to renew their licenses. Hawaii is one of only three jurisdictions that do not require continuing education for social workers. Your Committee finds that this measure requiring licensed social workers to complete continuing education courses will ensure that licensed social workers in Hawaii maintain their professional competency and keep current with new developments in the practice of their profession.

Your Committee has amended this measure by changing the effective date to January 1, 2112, to encourage continued discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 178, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 178, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 231 Consumer Protection & Commerce on H.B. No. 1186

The purpose of this measure is to protect pet animals by prohibiting persons convicted of cruelty to animals in the first or second degree from possessing, owning, or residing with any pet animal for a minimum of five years and one year, respectively, from the date of conviction.

The Humane Society of the United States, Hawaiian Humane Society, West Hawaii Humane Society, Personalized Pet Care, Hui Pono Holoholona, and numerous individuals testified in support of this measure.

Your Committee finds that while section 711-1110.5, Hawaii Revised Statutes, authorizes courts to order the forfeiture of animals upon a person's conviction for certain animal cruelty offenses, there are cases where the court does not exercise this discretion and pet animals are left in the custody of persons who have committed serious acts of cruelty toward animals. This measure would help ensure that those who have been convicted of cruelty to animals in the first or second degree will be denied the opportunity to cause future harm to their own pets.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2112, to encourage further discussion on this measure; and
- (2) Making technical nonsubstantive amendments to correct grammatical errors.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1186, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1186, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 232 Consumer Protection & Commerce on H.B. No. 135

The purpose of this measure is to clarify the relationship between Article 4A of the Uniform Commercial Code and the federal Electronic Fund Transfer Act.

The Department of Commerce and Consumer Affairs and the Commission to Promote Uniform Legislation testified in support of this measure.

Your Committee finds that Article 4A of the Uniform Commercial Code governs transfers between commercial parties, but does not apply to transfers governed by the federal Electronic Fund Transfer Act. Your Committee also finds that amendments to the federal Electronic Fund Transfer Act, which take effect on February 7, 2013, will place the governance of certain consumer international wire transfers, known as "remittance transfers", under the federal Electronic Fund Transfer Act, regardless of whether or not the remittance transfer is also an electronic funds transfer. This measure provides needed clarification of the relationship between Article 4A of the Uniform Commercial Code and the federal Electronic Fund Transfer Act and closes the gap in the governing law for remittance transfers that are not electronic funds transfers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 135 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Har.

SCRep. 233 Consumer Protection & Commerce on H.B. No. 23

The purpose of this measure is to clarify the real estate licensing requirement for custodians or caretakers of real property.

Rentals Maui, Inc., Condominium Rentals Hawaii, Prince Properties, Inc., Abbey Vacation Rentals, and Hawaiian Dream Properties submitted testimony in support of this measure. The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and the Hawaii Real Estate Commission submitted testimony in opposition to this measure. The Hawaii Association of Realtors submitted comments on this measure.

Your Committee finds that Hawaii real estate law does not clearly state the exemption from licensing requirements for caretakers and custodians, including designated agents and local contacts who provide services to owners of transient accommodations. This measure is intended to clarify the requirements for licensing of caretakers, custodians, designated agents, and local contacts, in order to provide better protection to consumers who rent transient accommodation units in Hawaii.

Your Committee has amended this measure by changing the effective date to January 1, 2112, to encourage continued discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 23, as amended herein, and recommends that it pass Second Reading in the form attached

hereto as H.B. No. 23, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.
(Representative McDermott voted no.)

SCRep. 234 Health on H.B. No. 412

The purpose of this measure is to expand the criteria for Hawaii residents who want to change the gender designation on their certificate of birth, including requiring:

- (1) A written request from the birth registrant;
- (2) A notarized statement from a licensed treating or evaluating physician stating that:
 - (A) The birth registrant's gender designation was entered incorrectly on the original birth certificate; or
 - (B) The birth registrant has undergone surgical, hormonal, or other treatment for gender transition; and
- (3) An official copy of legal name change document if requesting a name change on the certificate of birth.

This measure also establishes criteria for sealed documents and prohibits the Department of Health (DOH) from requiring certain medical information or records regarding new certificates of birth for a gender designation change.

The American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Planned Parenthood of Hawaii, Honolulu Pride, Hawaii State Center for Nursing, Equality Hawaii, CHOW Project, and numerous concerned individuals supported this measure. The Hawaii Catholic Conference and numerous concerned individuals opposed this measure. The DOH offered comments on this measure.

Your Committee has amended this measure by:

- (1) Reinstating statutory language allowing a birth certificate to be amended upon receipt of an affidavit of a physician certifying that the birth registrant has been examined and has met certain requirements that warrant a change in the birth registrant's sex determination on the birth registrant's certificate of birth;
- (2) Removing language that would have made a written request submitted to DOH by the birth registrant, under penalty of perjury, one of the criteria required to obtain a change to the gender designation on an original birth certificate;
- (3) Removing language that would have allowed a change to be made to the gender designation on an original birth certificate upon submission of a notarized statement from a licensed treating or evaluating physician that the birth registrant met certain conditions to warrant a change in the birth registrant's gender determination on the birth registrant's certificate of birth to the DOH;
- (4) Requiring DOH to establish a new certificate of birth for a person who wants to change the gender on the original certificate of birth when that person provides a certified copy of a Hawaii court order directing DOH to change the birth registrant's gender designation; provided that a court order establishes certain evidence regarding the gender determination;
- (5) Including an intersex condition as medical evidence for the change to an individual's sex determination made through a court order;
- (6) Deleting language allowing sealed original birth certificates and the evidence supporting the preparation of a new certificate to be opened by a request of the birth registrant; and
- (7) Deleting language prohibiting DOH from requiring any additional medical information or records when issuing a new certificate of birth for changes to an individual's gender determination.

Your Committee has further amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 412, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 412, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla and Woodson.

SCRep. 235 Health on H.B. No. 1383

The purpose of this measure is to appropriate funds for various programs directed at expanding the primary care workforce. Specifically, this measure appropriates funds to:

- (1) The Hawaii Health Corps Revolving Fund, which is administered by the University of Hawaii John A. Burns School of Medicine (JABSOM) and the University of Hawaii at Manoa School of Nursing and Dental Hygiene, to provide reimbursements of loan repayments under the Hawaii Rural Health Care Provider Loan Repayment Program, among other purposes;
- (2) Programs of JABSOM's Native Hawaiian Center of Excellence, such as the Imi Hoola Post-Baccalaureate Program and the Native Hawaiian Student Pathway to Medicine program; and

- (3) Support increases in faculty and infrastructure of the existing family medicine residency program and development of new accredited family health centers in association with teaching hospitals through JABSOM.

The Hawaii Medical Service Association, The Queen's Health Systems, The Chamber of Commerce of Hawaii, Community Alliance for Mental Health, United Self Help, Hawaii Medical Association, and numerous concerned individuals supported this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1383, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1383, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Cabanilla and Woodson.

SCRep. 236 Health/Human Services on H.B. No. 2

The purpose of this measure is to educate individuals about long term care. Among other things, this bill:

- (1) Appropriates funds to the Department of Health's Executive Office on Aging to administer a public education and awareness campaign on long term care and obtain an independent evaluation of the campaign;
- (2) Establishes the goals of the campaign;
- (3) Allows the Executive Office on Aging to develop a public-private partnership to fund and administer the campaign; and
- (4) Requires the Director of the Executive Office on Aging to submit a report on the evaluation of the campaign to the Legislature no later than 20 days prior to the Regular Session of 2016.

The Maui County Office on Aging, AARP, ILWU Local 142, and Hawaii Alliance for Retired Americans testified in support of this measure. The Department of Health's Executive Office on Aging submitted testimony in support of the intent of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 237 Health/Labor & Public Employment on H.B. No. 1483

The purpose of this measure, as received by your Committees, is to further advance the State's commitment to provide quality health care by allowing the operations of the regional systems of the Hawaii Health Systems Corporation (HHSC) and their facilities to transition to non-public status.

The Mayor of the County of Maui, Maui Memorial Medical Center, Banner Health, and numerous individuals testified in support of this measure. The HHSC and the John A. Burns School of Medicine testified in support of the intent of this measure. The Hawaii Government Employees Association, Hawaii State AFL-CIO, and numerous individuals opposed this measure. The Department of Budget and Finance and an individual commented on this measure.

Your Committees find that it is evident from the extensive testimony received and the hearing discussion, that there are still many unknowns in the proposed partnership and transition to non-public status. Much work still must be done to gain understanding and support for such an agreement from the regional hospitals and the communities that are serviced by these hospitals, including the general population, as well as physicians, nurses, hospital employees, support staff, and others. Understanding and trust must be fostered with the exclusive representatives of hospital personnel to ensure a smooth transition to non-public status, should such a transition occur.

Upon careful consideration, your Committees have amended this measure by deleting its contents and inserting new language, the purpose of which is to establish a nine-member task force to study the feasibility of allowing the operations of one or more regional systems of the HHSC, or one or more of its individual health facilities, to transition to non-public status.

Your Committees note that administrative support will be needed to assist and facilitate the work of the task force.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1483, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1483, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 238 Health/Labor & Public Employment on H.B. No. 1484

The purpose of this measure is to affirm the State's commitment to provide high-quality health care and ensure the viability of community hospitals by changing the structure and composition of the Hawaii Health Systems Corporation (HHSC), which provides essential safety net hospital and long-term care services statewide. Among other things, this bill:

- (1) Eliminates Maui Regional Health Care System, East Hawaii Regional Health Care System, and West Hawaii Regional Health Care System;
- (2) Changes the corporate board structure of HHSC by removing the chief executive officers of the above-named regions;
- (3) Delineates the duties and powers of the HHSC and the regional system boards;
- (4) Provides that HHSC is the sole employer with collective bargaining negotiating authority; and
- (5) Establishes a separate personnel system and separate retirement system from the existing Employees' Retirement System (ERS) and separate bargaining units for HHSC employees.

This bill also repeals references to regional public health facility management advisory committees, which are non-existent.

HHSC and numerous individuals testified in support of this measure. The Department of Budget and Finance, ERS Board of Trustees, Hawaii Government Employees Association, and numerous individuals opposed this measure.

Your Committees have amended this measure by:

- (1) Retaining the existing Maui Regional Health Care System, East Hawaii Regional Health Care System, and West Hawaii Regional Health Care System, thereby also retaining the chief executive officers of those regions;
- (2) Deleting all references to the establishment of the HHSC Retirement System;
- (3) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1484, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1484, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 239 Human Services/Health on H.B. No. 874

The purpose of this measure is to ensure that child victims of sex and labor trafficking are provided necessary services by the Department of Human Services by:

- (1) Including sexual exploitation and labor trafficking within the definition of reportable acts or omissions that constitute child abuse or neglect; and
- (2) Including sexual exploitation and labor trafficking within the definition of "harm" used in child welfare statutes.

The Department of Human Services, Office of Community Services, Hawaii Catholic Conference, Hawaii Family Forum, the Pacific Alliance to Stop Slavery, Courage House Hawaii, Shared Hope International, Sex Abuse Treatment Center of Hawaii, and many individuals testified in support. Hawaii Youth Services Network supported the intent of the bill. Imua Alliance supported the bill with amendments.

Your Committees have amended this bill by:

- (1) Changing its effective date to July 1, 2050, to ensure further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 874, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 874, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 240 Energy & Environmental Protection on H.B. No. 810

The purpose of this measure is to direct the Public Utilities Commission to consider in its deliberations the value of employing advanced grid modernization technology to improve and enhance the State's electrical systems and infrastructure. This measure, among other things, defines "advanced grid modernization technology" to encompass a host of current and developing technologies and methods to ensure Hawaii's grids continue to respond to evolving needs.

The Public Utilities Commission; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Department of Business, Economic Development, and Tourism; Hawaiian Electric Company; Hawaii Electric Light Company; Maui Electric Company; Sierra Club, Hawaii Chapter; Hawaii Solar Energy Association; and Blue Planet Foundation provided testimony in support of this measure. Life of the Land opposed this measure. A concerned individual provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 810, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 810, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 241 Energy & Environmental Protection on H.B. No. 811

The purpose of this measure is to:

- (1) Improve the ease and efficiency of the Energy Industry Reporting Act processes for reporting entities by combining all information and registration gathering functions within the Department of Business, Economic Development, and Tourism (DBEDT); and
- (2) Clarify the enforcement and investigatory powers of the Public Utilities Commission following the consolidation of information gathering and registration functions within DBEDT.

The Department of Business, Economic Development, and Tourism and Public Utilities Commission provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 811, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 811, H.D. 1, and be referred to the Committees on Economic Development & Business and Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 242 Energy & Environmental Protection on H.B. No. 357

The purpose of this measure is to reduce the adverse impact of single-use checkout bag waste on Hawaii's natural environment and preserve and protect Hawaii's watersheds and fresh water supply by:

- (1) Requiring certain businesses in the State to collect a ten-cent fee for single-use checkout bags provided to customers pursuant to the single-use Checkout Bag Fee Program;
- (2) Allowing businesses and the Department of Health to retain a portion of fee revenues collected to reimburse administrative costs;
- (3) Directing the use of fee revenues to fund programs to mitigate the effects of single-use checkout bags and protect Hawaii's fresh water supply; and
- (4) Establishing single-use checkout bag provisions relating to violations, injunctive and other relief, county ordinances, business reporting, and audit authority.

The Department of Land and Natural Resources, Hawaii Invasive Species Council, Kauai Water Department, Conservation Council for Hawaii, Hawaii Green Growth Initiative, The Nature Conservancy of Hawaii, National Tropical Botanical Garden, Oahu Invasive Species Committee, Sierra Club, Hawaii Chapter, Surfrider Foundation and several individuals testified in support of this measure. The Department of Health, Fair Wind Cruises, Retail Merchants of Hawaii, and Verizon testified in opposition of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

Should the Committee on Consumer Protection & Commerce consider this measure, your Committee respectfully requests a careful consideration of the effect of this measure on those participating in the Hawaii Supplemental Nutrition Assistance Program or other federally approved nutrition assistance programs.

Your Committee has amended this measure by:

- (1) Amending the purpose section of the bill to reflect fees retained by businesses and the Department of Health to cover the administrative costs of the single-use checkout bag fee;
- (2) Changing the percentage of fees retained by businesses from ten percent from January 1, 2014 and thereafter to twenty percent from January 1, 2014 to December 31, 2015 and ten percent from January 1, 2016 and thereafter;
- (3) Lowering the amount of fees retained by the Department of Health annually from \$1,200,000 to \$800,000;
- (4) Lowering the amount of general fund appropriations to support the program from \$1,200,000 to \$800,000; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 357, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 357, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 243 Energy & Environmental Protection/Health on H.B. No. 904

The purpose of this measure is to promote recycling by:

- (1) Improving the existing electronic and television recycling program; and
- (2) Expanding the electronic and television recycling program to include electric devices that are currently disposed of in landfills.

The Department of Health, the City and County of Honolulu Department of Environmental Services, Recycle Hawaii, Enterprise Honolulu, and a concerned individual testified in support of this measure. Retail Merchants of Hawaii; Association of Home Appliance Manufacturers; Whirlpool Corporation; Air-Conditioning, Heating, and Refrigeration Institute; Custom Electronic Design & Installation Association; Toy Industry Association, Inc.; and Jarden Consumer Solutions testified in opposition of this measure. Sims Recycling Solutions provided comments on this measure.

Your Committees have amended this measure by:

- (1) Exempting toys and tools from the Electric Device Recycling and Recovering Act on January 1, 2015;
- (2) Exempting from the definition of manufacturer persons who manufacture fewer than one hundred electric devices per year;
- (3) Changing the definition of "white good" to include discarded major electrical and mechanical appliances made primarily of metal parts;
- (4) Including within the definition of "white good" central air conditioners and boilers and excluding from the definition appliances of less than three cubic feet in volume before crushing; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 904, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 904, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Hanohano and Cheape.

SCRep. 244 Energy & Environmental Protection on H.B. No. 497

The purpose of this measure is to adjust the renewable energy technologies income tax credit by, among other things:

- (1) For non-utility scale solar electricity generating systems, lowering the specified rates for each taxable year, beginning after the 2014 taxable year;
- (2) Providing a specified tax credit for each utility scale solar electricity generating system installed after the 2013 tax year; and
- (3) Providing a tax credit for each solar energy system that uses energy from the sun to heat water for household use.

Sunetric, First Wind, Hawaii Solar Energy Association, and a concerned individual supported this bill. Distributed Energy Partners; Kairos Energy Capital; RevoluSun; SunPower Systems Corporation; Sun Run, Inc.; Ulupono Initiative; and Hawaii PV Coalition supported the intent of this measure. A concerned individual opposed this measure. The Department of Taxation; Tax Foundation of Hawaii; Hawaii Renewable Energy Alliance; and Inter-Island Solar Supply provided comments on this measure.

Your Committee has amended this measure to ensure that renewable energy options are available to Hawaii residents, continue the growth of Hawaii's solar and construction industries, and minimize the fiscal impact of the renewable energy technology income tax credit. Specifically, your Committee has amended this measure by:

- (1) Providing tax credits for solar energy property used specifically for the purpose of heating water;
- (2) Establishing caps for the tax credit provided for solar energy properties specifically used for the purpose of heating water;
- (3) Providing tax credits that are determined by a percentage of the basis calculated for solar energy properties used primarily to generate electricity that are less than one megawatt in alternating current capacity, not part of a larger solar energy property, and installed and placed in service by taxpayers during the taxable year;
- (4) Defining the terms "basis", "competitive bid solar energy property", "placed in service", "property", and "public sector agency";
- (5) Adding unspecified provisions for tax credits for solar energy properties used to generate electricity that are one megawatt or larger in alternating current capacity;
- (6) Providing that the renewable energy technology income tax credits are for renewable energy technology property rather than renewable energy technology systems;
- (7) Repealing the cap amounts for each eligible renewable energy technology system;
- (8) Allowing taxpayers to elect to have any excess of the credit over payments due to the taxpayer refunded without discount under certain circumstances;

- (9) Making refundable the income tax credit for solar energy property that is used to generate electricity and is one megawatt or larger in alternating current capacity;
- (10) Requiring that the tax credits provided in section 235-12.5, Hawaii Revised Statutes (HRS), be construed in accordance with Treasury Regulations and judicial interpretations of similar provisions of the Internal Revenue Code;
- (11) Allowing certain taxpayers who have entered into an agreement with public sector agencies pursuant to a public solicitation and procurement process for the sale of electricity from non-residential solar energy property with less than one megawatt of alternating current capacity to elect to receive a tax credit for energy properties placed into service prior to January 1, 2014, on the same basis as if the energy property had been placed into service prior to January 1, 2013;
- (12) Allowing taxpayers who have received letters from the Department of Taxation extending the department's letter rulings or determination letters to December 31, 2013, to qualify for the tax credit as it existed on December 31, 2012, as long as certain requirements are met;
- (13) Allowing certain associations of property owners to claim the credit allowed under section 235-12.5, HRS, in their own names for properties or facilities placed in service and located on common areas;
- (14) Prohibiting certain entities, including governmental entities and partnerships or pass-through entities, from claiming the tax credit;
- (15) Requiring the Department of Taxation and Department of Business, Economic Development, and Tourism to collaborate to issue a joint report annually to the Legislature regarding the taxpayers and types of credits taken under this section and the impact of this tax credit on the economy and on the job market;
- (16) Requiring the Department of Business, Economic Development, and Tourism to:
 - (A) Commence a study no later than July 1, 2016, on the costs incurred and benefits gained, and the extent to which the renewable energy technology income tax credit has helped the state achieve its energy goals; and
 - (B) Submit a report to the Legislature no later than December 31, 2017; and
- (17) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that portions of section 235-12.5(a)(3), HRS, have been left blank because they are still under discussion with various interested parties and hopes that your Committee on Consumer Protection & Commerce will consider the suggested provisions that arise out these ongoing discussions.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 497, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 497, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 245 Higher Education on H.B. No. 1200

The purpose of this measure is to protect post-secondary students in the State by establishing the State Post-secondary Education Commission (Commission) within the Department of Commerce and Consumer Affairs to comply with new federal regulations for post-secondary educational institutions. This measure also repeals the current state Post-secondary Education Commission, established within the University of Hawaii.

The Policy Office of the Governor, University of Hawaii, Western Interstate Commission for Higher Education, Hawaii Pacific University, Hawaii Association of Independent Schools, University of Phoenix, and Chaminade University of Honolulu supported this measure. The Department of Commerce and Consumer Affairs and Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "physical presence";
- (2) Including tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, as amended, in the definition of "seminary" or "religious training institution";
- (3) Including in the definition of "seminary" or "religious training institution" those institutions that offer courses that may lead to specified degrees;
- (4) Requiring that nominees to the State Post-secondary Education Commission be subject to the advice and consent of the Senate;
- (5) Requiring that of the five Commission members, three will represent the general public and two will represent both public and private institutions of higher education;
- (6) Clarifying that the initial members' initial terms will not count toward the term limit requirement;
- (7) Requiring that authorization standards in reciprocity agreements must be substantially comparable to the State's authorization requirements;

- (8) Clarifying that provisions associated with the awarding of degrees applies to specified entities with a physical presence in the State, rather than "doing business" in the State;
- (9) Providing that once private colleges or universities obtain authorization from the Commission, they will not be required to apply for separate authorizations from the Commission for additional professional accreditations;
- (10) Specifying that a private college or university must be, in the Commission's determination, likely to become accredited within one year, rather than within a reasonable period of time, in order to operate without accreditation under specified conditions;
- (11) Requiring a private college or university to notify the Department of Commerce and Consumer Affairs within thirty days of any material information related to specified actions concerning its accreditation status;
- (12) Requiring, rather than authorizing, the Commission to revoke a private college or university's authorization upon loss of accreditation;
- (13) Permitting authorized educational institutions to provide the Department of Commerce and Consumer Affairs copies of their enrollment agreements in accordance with their reauthorization schedule, rather than every year;
- (14) Requiring the transfer of relevant positions and assets for the certification of veteran's higher education programs from the University of Hawaii to the Department of Commerce and Consumer Affairs;
- (15) Authorizing the Department of Commerce and Consumer Affairs to issue a fine upon a violation of rule or regulation of the Commission;
- (16) Inserting provisions for prohibited practices;
- (17) Requiring a private college, university, seminary, or religious training institution to be responsible for the payment of any and all costs associated with any prosecution, regardless of the outcome;
- (18) Requiring, effective July 1, 2015, the Commission to oversee the authorization of unaccredited degree granting institutions under chapter 446E, Hawaii Revised Statutes; and
- (19) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1200, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1200, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 246 Health/Human Services on H.B. No. 120

The purpose of this measure is to enhance public access to information about the quality of care of state-licensed and certain other facilities by requiring the Department of Health and the Department of Human Services to post on their respective websites electronic copies of reports for all inspections they perform of facilities in which violations are discovered.

The State Council on Developmental Disabilities, Office of the Long Term Care Ombudsman, ILWU Local 142, Kokua Council, and several concerned individuals supported this measure. A concerned individual opposed this bill. The Department of Health, Department of Human Services, and a concerned individual submitted comments.

Your Committees note the compelling testimonies from various testifiers who seek greater transparency and access to information about the quality of care and conditions of state-licensed and other facilities in making health care decisions. While your Committees recognize the public's right to access information about the conditions of these facilities, your Committees believe that the electronic posting of such data must be reliable and accurate and reflect fairness in the information disseminated.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 120, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 120, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 247 Public Safety/Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 849

The purpose of this measure is to better protect the people of Hawaii in emergencies or disasters by recodifying Hawaii's emergency management laws and bringing them into conformity with nationwide practices in emergency management. Specifically, this measure:

- (1) Establishes a Hawaii Emergency Management Agency in the State Department of Defense (DOD) with functions and authority previously held by the Civil Defense Agency of DOD;
- (2) Establishes the power and authority of the Hawaii Emergency Management Director;
- (3) Establishes a Hawaii Advisory Council on Emergency Management to confer with and advise the Governor in emergency management matters;
- (4) Clarifies the responsibilities that the mayors have in performing emergency management in their counties;
- (5) Clarifies the power and authority of the Governor in emergency management; and
- (6) Repeals Hawaii Revised Statutes (HRS) chapters on Disaster Relief, and the Civil Defense Emergency Act, which have been determined to be obsolete with the creation of the Hawaii Emergency Management Agency.

The State Civil Defense, Department of Public Safety, Department of Defense, Civil Defense Advisory Council, Department of Emergency Management of the City and County of Honolulu, Honolulu Police Department, the Office of the Mayor of the County of Maui, Civil Defense Agency of the County of Hawaii, the Civil Defense Agency of the County of Maui, and a Maui County member of the Civil Defense Advisory Council supported this measure. The Judiciary offered comments on this measure.

Your Committees have amended this measure by:

- (1) Removing language that authorizes the Governor or a designated representative to order the National Guard into active service as "emergency personnel for emergency management functions";
- (2) Clarifying language that authorizes the Governor or a designated representative to order the National Guard into active service to provide support to other states in response for assistance under the Emergency Management Assistant Compact under chapter 128F, HRS, and specifies other duties for which an order to active service may be made by the Governor or a designated representative;
- (3) Making conforming amendments in section 601-1.5, HRS, by deleting references to civil defense and section 128-7, HRS, that are no longer valid;
- (4) Changing its effective date to July 1, 2050, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Public Safety and Veterans, Military, & International Affairs, & Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 849, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 849, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cachola.

SCRep. 248 Agriculture on H.B. No. 748

The purpose of this measure is to support Hawaii's agriculture industry by proposing an amendment to the Hawaii State Constitution to permit the State to issue special purpose revenue bonds and use the proceeds from the bonds to assist agricultural enterprises.

Alexander & Baldwin, Inc.; Hawaii Bioenergy, LLC; Hawaii Farm Bureau Federation; Land Use Research Foundation of Hawaii; UluPono Initiative and Hawaii Cattlemen's Council testified in support of this measure. The Department of Agriculture and the Department of Budget and Finance provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 748 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 249 Agriculture on H.B. No. 97

The purpose of this measure is to:

- (1) Require a permit from the Department of Agriculture to import, introduce, or develop new species of genetically modified organisms; and
- (2) Allow the Department of Agriculture to determine whether to grant a permit to import, introduce, or develop a new species of a genetically modified organism and the conditions for the permit after holding a public hearing.

The Hawaii Organic Farming Association; Sierra Club, Hawaii Chapter; Babes Against Biotech; Life of the Land; GMO Free Maui, GMO Free Oahu, and GMO Free Big Island; and numerous individuals provided testimony in support of this measure. Green Point Nurseries, Inc.; Monsanto Hawaii; Hawaii Floriculture and Nursery Association; Hawaii Cattlemen's Council; and several individuals provided testimony in opposition to this measure. The Department of Land and Natural Resources, Department of Agriculture, and a few individuals provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, for the purpose of facilitating further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 97, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 97, H.D. 1, and be referred to the Committee on Energy & Environmental Protection.

Signed by all members of the Committee except Representatives Cachola and Tokioka.
(Representative Ward voted no.)

SCRep. 250 Agriculture on H.B. No. 1260

The purpose of this measure is to expand the types of agricultural commodities exempt from the general excise tax on amounts received for loading, transportation, and unloading to include, milk, poultry eggs, poultry meat, poultry carcasses and aquaculture and aquaponic products to be consumed in the State, whether imported or processed within the State.

The Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau Federation; Local Food Coalition; Ulupono Initiative; and Land Use Research Foundation testified in support of this measure. The Department of Agriculture, Department of Taxation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by including in the definition of agricultural commodities exempt from the general excise tax on amounts received for loading, transportation, and unloading, beef, beef carcasses, goat meat, goat carcasses, lamb meat, lamb carcasses, sheep meat, and sheep carcasses.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1260, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1260, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 251 Agriculture on H.B. No. 673

The purpose of this measure is to establish and implement a comprehensive pesticide reporting system program in Hawaii. Specifically, the program requires:

- (1) Users of pesticides to report to the Department of Agriculture (DOA);
- (2) DOA to maintain public records of the usage; and
- (3) The Department of Health (DOH) to investigate health complaints linked to the usage of pesticides.

Babes Against Biotech, Kaulana Pali Kai, GMO Free Kauai, GMO Free Maui, GMO Free Oahu, GMO Free Big Island, and numerous individuals testified in support of this measure. Hawaii Pest Control Association, Syngenta Hawaii, LLC, Hawaii Farm Bureau Federation, Hawaii Crop Improvement Association, Hawaii Cattlemen's Council, Alexander & Baldwin, Inc., and Hawaiian Commercial & Sugar Company testified in opposition to this measure. The Department of Agriculture and three individuals offered comments.

In considering this measure, your Committee found that the broad nature of the reporting system and the potential expense of developing such a system needed more time to be worked out. Also, testimony from commercial and urban pesticide businesses urged that this bill not place additional reporting burdens on them. Concerned testifiers made clear that they wanted to have more options available to find out what sort of pesticides are being sprayed near where they live.

Accordingly, your Committee has amended this measure by:

- (1) Limiting DOA annual reporting requirements to restricted use pesticides and removing the requirement for zip code information for the locations of use in order to conform with the reporting data already collected by the department;
- (2) Requiring the DOA annual report to include recommendations on how the public and private sectors can work together to address pesticide use issues;
- (3) Including a process by which abutting property owners can inquire with private or commercial pesticide applicators about pesticides being used;
- (4) Removing all provisions relating to the requirement that DOH investigate all pesticide related health complaints reported to it;
- (5) Removing the requirement that DOA coordinate with DOH when categorizing restricted use pesticide use, and removing industrial and urban commercial pesticide use from the categorization requirements;
- (6) Removing the requirement that retail establishments report their inventory of pesticides and their sale of pesticides;
- (7) Removing the requirement that all importers report pesticides that they are importing; and

- (8) Changing its effective date to July 1, 2050, to encourage further discussion.

Technical, nonsubstantive amendments were also made for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 673, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 673, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Cachola and Ohno.

SCRep. 252 Agriculture on H.B. No. 1145

The purpose of this measure is to establish a standard of care for the air transport and transfer of animals.

Animal Rights Hawaii, The Humane Society of the United States, and a concerned individual testified in support of this measure. Humane Society International supported the measure with amendments. The Department of Land and Natural Resources; Hawaii Cattlemen's Council, Inc.; Hawaii Egg Producers Association; Hawaii Aquaculture and Aquaponics Association; ESAIA e.V.; Pet Industry Joint Advisory Council; Airlines for America; Maui County Farm Bureau; Association of Zoos and Aquariums; Airlines Committee of Hawaii; Sea Dwelling Creatures, Inc.; A&M Aquatics; Fishy Business Aquarium; Pets Warehouse; Dork Fish Aquatics, LLC; Stockly's Aquariums, Inc.; Coral Fish Hawaii; Top Shelf Aquatics; Quality Marine; and numerous concerned individuals testified in opposition to this measure. The Department of Agriculture and Hawaii Farm Bureau Federation offered comments.

Much of the testimony in opposition to this bill concerned the requirement that coldblooded animals be fed eight hours before transport. Many experienced exporters in the aquarium fish industry testified that feeding fish so soon before a long trip in contained water would do more harm than good to the health of fish.

Accordingly, your Committee has amended this measure by:

- (1) Explicitly excluding the transport and transfer of livestock and poultry and limiting the provisions of this measure to only pet animals and animals used for the pet trade;
- (2) Removing feeding and watering requirements for coldblooded animals;
- (3) Establishing the provisions of this measure as a minimum standard of care that can be superseded by local, state, or federal laws that provide more protection to animals; and
- (4) Making technical, nonsubstantive changes for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1145, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1145, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Cachola and Ohno.

SCRep. 253 Agriculture on H.B. No. 174

The purpose of this measure is to require, beginning January 1, 2014, the specific labeling of any food or raw agricultural commodity sold in the State that contains or was produced with a genetically engineered material.

The Maui County Council, Environmental Caucus of the Democratic Party of Hawaii, Life of the Land, Sierra Club Hawaii Chapter, Hawaii Organic Farming Association, Earthjustice, Babes Against Biotech, GMO Free Maui, GMO Free Oahu, GMO Free Big Island, Hawaii SEED, Association of Hawaiian Civic Clubs, Occupy Monsanto, GMO Free NJ, Respiratory & Environmental Disabilities Association of Hawaii, and numerous individuals testified in support of this measure. The Department of Health; DuPont Pioneer; Hawaii Crop Improvement Association; 4 AG Hawaii; Times Supermarket; The Safeway Companies; McCandless Ranch; Syngenta Hawaii; VIP Food Service; Maui Chamber of Commerce; Monsanto Hawaii; Hawaii Food Industry Association; W.H. Shipman, Limited; Hawaii Cattlemen's Association; Hawaii Cattlemen's Council, Inc.; The Grocery Manufacturers Association; The Chamber of Commerce of Hawaii; Ulupalakua Ranch, Inc.; Hawaii Farm Bureau Federation; and numerous individuals testified in opposition. The Asia-Pacific Center for Regenerative Design and several individuals commented.

Your Committee recognizes that members of the public have expressed a desire to be informed about which food products are genetically engineered. However, your Committee notes that labeling every food at this point is not realistic and has the potential to be quite costly to both the industry and consumers. In response to the need for some kind of labeling of genetically engineered foods, your Committee has amended this measure by:

- (1) Limiting its scope to only imported produce by removing language that referred to food, raw agricultural commodities, animals, and processed foods;
- (2) Simplifying the labeling regime and requiring the label on genetically engineered imported produce to read "genetically engineered";
- (3) Removing the \$1,000 fine for violation of labeling requirements;
- (4) Requiring that importers of genetically modified produce label their shipping containers and each piece of produce in the container as "genetically modified" and certify that such produce is not an invasive species upon arrival in Hawaii and before delivery to retail establishments;

- (5) Specifying that the import of genetically modified produce in violation of labeling requirements is prohibited;
- (6) Changing its effective date to July 1, 2050 to encourage further discussion; and
- (7) Making technical nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 174, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cachola.

SCRep. 254 Judiciary on H.B. No. 231

The purpose of this measure is to clarify the types of physical force presumed unjustifiable when used by a parent, guardian, or other similarly-situated person to discipline minors, for the purpose of responding to charges of abuse of a family or household member, assault, or other criminal charges.

The Department of the Prosecuting Attorney of the City and County of Honolulu; Office of the Prosecuting Attorney, County of Kauai; and IMUAlliance testified in support of this measure. The Office of the Public Defender testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Making it a rebuttable presumption that the types of force specified are unjustifiable;
- (2) Removing striking on the face as one of the types of force presumed unjustifiable; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 231, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Cabanilla, Carroll and Wooley.

SCRep. 255 Housing on H.B. No. 742

The purpose of this measure is to exempt Hawaii Public Housing Authority (HPHA) from the requirements of section 40-82, Hawaii Revised Statutes, to allow HPHA to assign to a collection agency, accounts for vacated units in state low-income public housing projects that are delinquent for at least 90 days.

HPHA testified in support of this measure.

Your Committee has amended this measure by:

- (1) Allowing HPHA, with the Attorney General's approval, to delete from its accounts receivable records, delinquent accounts for vacated units in state low-income public housing projects that have been delinquent for at least 90 days; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 742, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 742, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 256 Consumer Protection & Commerce on H.B. No. 840

The purpose of this measure is to modernize the Code of Financial Institutions to reflect changes to federal banking laws, including:

- (1) Strengthening and clarifying the powers of the Commissioner of Financial Institutions to oversee the industry and to administer and enforce pertinent laws; and
- (2) The adjustment of fees for financial institutions to accommodate additional regulation and monitoring of the industry.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Bankers Association provided comments.

Your Committee finds that the last comprehensive review of Hawaii laws relating to financial institutions was in 1993. In 2012, the Commissioner of Financial Institutions met with representatives of the financial institutions industry to review and update the State's banking laws to reflect changes to federal law. This measure implements the recommendations produced from those meetings.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2112, to encourage further discussion on this measure; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 840, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 840, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 257 Health/Human Services on H.B. No. 7

The purpose of this measure is to meet the outstanding and future needs of Hawaii's elderly and dependent adult population by establishing the Hawaii Kupuna Trust Fund as a way of financing programs and services to strengthen elderly and dependent adult care.

An individual testified in support of this measure. The Executive Office on Aging testified in support of the intent of this measure. The Department of Budget and Finance submitted comments.

Your Committees have amended this measure by:

- (1) Replacing the definition of "dependent adult", which was deleted from section 346-222, Hawaii Revised Statutes (HRS), with the definition of "vulnerable adult" as defined in section 346-222, HRS; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 7, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 7, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 258 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 92

The purpose of this measure is to provide for fairness in voting by:

- (1) Statutorily establishing that:
 - (A) The absentee ballot of any voter; or
 - (B) The military-overseas ballot of any covered voter,

who was eligible to vote at the time the ballot was cast is valid even if the voter became ineligible to vote after casting the ballot; and
- (2) Repealing statutory provisions that invalidate an absentee voter's ballot that was cast if sufficient proof is shown that the voter died prior to the opening of the election polls on the date of the election.

The Oahu Veterans Council and Military Officers Association of America, Hawaii Chapter testified in support of this bill. The Office of Elections, Office of the County Clerk of the County of Kauai, and Office of the County Clerk of the County of Maui provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 92 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 259 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 494

The purpose of this measure is to enrich the State's communities and take a positive step toward the reduction of graffiti by expanding opportunities appropriate for this type of creative social expression. Among other things, this bill:

- (1) Provides legitimate, state-owned venues for urban art by establishing a pilot program under the direction of the State Foundation on Culture and the Arts for the creation of urban art on State-owned property;
- (2) Requires the State Foundation on Culture and the Arts to consult with the State Historic Preservation Division of the Department of Land and Natural Resources, Historic Hawaii Foundation, and any other appropriate stakeholders to review the creation of urban art under the pilot program to ensure that the art does not negatively impact historic property; and
- (3) Requires the State Foundation on Culture and the Arts to report to the Legislature no later than 20 days prior to the convening of the

regular session of 2016 on the status of the pilot program, its findings and recommendations regarding continuation of the program on a permanent basis, and recommendations to reduce illicit graffiti.

The State Foundation on Culture and the Arts testified in support of this measure. The Department of Transportation and Medicine Buddhas and Bodhisattvas testified in support of the intent of this bill.

Your Committee has amended this bill by:

- (1) Requiring the State Foundation on Culture and the Arts to consult with the Department of Accounting and General Services, Department of Transportation, Department of Land and Natural Resources, State Historic Preservation Division of the Department of Land and Natural Resources, and any other stakeholders deemed appropriate by the State Foundation on Culture and the Arts, when establishing procedures for the pilot program;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 494, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 494, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 260 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 762

The purpose of this measure is to protect and preserve the historic residence known as Washington Place, a center of social and political life in the Hawaiian Islands for over a century. Specifically, this bill:

- (1) Statutorily establishes the Department of Accounting and General Services as the agency responsible for preserving and protecting Washington Place, including the grounds, and the historic residence situated on its premises;
- (2) Establishes the Washington Place Trust Fund to pay for the administration, operation, management, and maintenance of Washington Place; and
- (3) Prohibits moneys in the Washington Place Trust Fund to be transferred to the general fund or any other fund in the State treasury.

The Department of Accounting and General Services testified in support of this bill.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 762, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 762, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 261 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1089

The purpose of this measure is to honor the rich culture and history of the kalo plant and promote kalo cultivation and appreciation by establishing the month of October as Kalo Appreciation Month in Hawaii.

The Office of Hawaiian Affairs and a concerned individual testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date from July 1, 2013, to upon its approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1089, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1089, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 262 Higher Education on H.B. No. 71

The purpose of this measure is to support high technology development and innovation in the State by requiring the University of Hawaii to extend the current land lease agreement with the High Technology Development Corporation for a period of at least 25 years from the expiration date of the existing lease.

The Hawaii Innovation Alliance; High Technology Development Corporation; 3D Innovations; Hawaii Consortium for Medicine and Health; Hawaii Aquaculture and Aquaponic Association; Hawaii Strategic Development Corporation; Hawaii Food Manufacturers Association; Kuehne AgroSystems, Inc.; SOS Tech Solutions; AMEL Technologies, Inc.; Archinoetics; Ohana Investment Works LLC; Sanjole Inc.; Renewable Water Technologies LLC; Curtis Consulting LLC; Makai Ocean Engineering, Inc.; Asia Pacific Films; Hawaii Venture Capital Association; and numerous concerned individuals supported this measure. The University of Hawaii opposed this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 71 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 263 Higher Education on H.B. No. 1072

The purpose of this measure is to ensure transparency with respect to the financial interests of University of Hawaii Board of Regents members by requiring that their financial disclosure statements be made public.

The Hawaii State Ethics Commission supported this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1072 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 264 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1328

The purpose of this measure is to grant the Kaho'olawe Island Reserve Commission a permanent exemption from the procurement code for the procurement of food or fuel products necessary to carry out its purposes.

The Kaho'olawe Island Reserve Commission supported this measure. The State Procurement Office opposed this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1328 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Lowen.

SCRep. 265 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1382

The purpose of this measure is to encourage water safety by prohibiting the operation of jet skis at any speed above 30 miles per hour except under certain conditions.

An individual provided testimony in support of this measure. The Department of Land and Natural Resources and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1382 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee and Lowen.

SCRep. 266 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1424

The purpose of this measure is to appropriate general obligation bonds for the Department of Land and Natural Resources, in consultation with the Hawaiian Island Land Trust, to engage in efforts to acquire a parcel of land located at Lipoa Point.

Two individual members of the Maui County Council; Hawaiian Island Land Trust; the Surfrider Foundation Maui Chapter; Save Honolua Coalition; Hawaii Wildlife Fund; Maui Land & Pineapple Company, Inc.; Aloha in Action; and numerous individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Land and Natural Resources and a few individuals provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1424 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Thielen.

SCRep. 267 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 679

The purpose of this measure is to improve the health of Native Hawaiians through education, research, and community initiatives that enable Native Hawaiians to successfully pursue careers in medicine and other health professions by appropriating \$700,000 to the Native Hawaiian Center of Excellence.

The Native Hawaiian Center of Excellence, the Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 679 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Lowen.

SCRep. 268 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1093

The purpose of this measure is to encourage transparency among organizations that affect the rights of Native Hawaiians by requiring the Department of Land and Natural Resources, the Department of Hawaiian Home Lands, and the Office of Hawaiian Affairs to submit annual reports detailing all departmental contracts for services.

An individual submitted testimony in support of this measure. The Office of Hawaiian Affairs, the Department of Land and Natural Resources, and the Department of Hawaiian Home Lands provided comments on this measure.

As clarified in discussion at the hearing in response to concerns raised by the Office of Hawaiian Affairs, your Committees note that this measure is intended to:

- (1) Require a separate report from the Department of Hawaiian Home Lands, Department of Land and Natural Resources, and Office of Hawaiian Affairs;
- (2) Encompass in the term "contracts for services," each department's contracts for outsourced services with third parties; and
- (3) Require on a going forward basis, upon a department's entering into a contract, a report from the department that includes:
 - (A) Information on which party initiated the contract; and
 - (B) Depending on who initiated the contract, information on whether a third party facilitated the contract.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1093 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Thielen.
(Representative Coffman voted no.)

SCRep. 269 Ocean, Marine Resources, & Hawaiian Affairs/Education on H.B. No. 1317

The purpose of this measure is to promote the rejuvenation of the Hawaiian language by appropriating funds to both the Department of Education and Department of Human Services to support programs that encourage the use of the Hawaiian language and promote fluency of the Hawaiian language in prekindergarten-aged children.

The Department of Education, Association of Hawaiian Civic Clubs, and several individuals provided testimony in support of this bill. The Department of Human Services provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1317 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 270 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 252

The purpose of this measure is to:

- (1) Require annual reports from the Native Hawaiian Roll Commission;
- (2) Require residency or voter registration in the State of Hawaii to participate in the Native Hawaiian Roll Commission's enrollment process;
- (3) Require participants to sign releases of information before their names are published on the Native Hawaiian roll; and

- (4) Repeal directives to amend the Hawaiian Homes Commission Act.

The Office of Hawaiian Affairs and an individual opposed this measure. The Department of Hawaiian Home Lands, the Native Hawaiian Roll Commission, the Association of Hawaiian Civic Clubs, the Native Hawaiian Chamber of Commerce, and a Commissioner of the Native Hawaiian Roll Commission provided comments on this measure.

Your Committee has amended this measure by deleting the:

- (1) Residency or voter registration requirements for participation in the Native Hawaiian Roll Commission's enrollment process; and
- (2) Requirement that participants authorize the release of their information prior to the publication of their names on the public roll.

Your Committee further amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 252, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 252, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee and Lowen.

SCRep. 271 Agriculture on H.B. No. 481

The purpose of this measure is to allow for the construction of certain traditional Hawaiian hale without a building permit on land that is used for farming operations.

Several concerned individuals supported this bill. The Department of Agriculture, County of Maui Department of Public Works, and Maui Fire Department submitted comments.

Your Committee has amended this measure by replacing references to "traditional Hawaiian hale" with "indigenous Hawaiian hale."

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 481, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Cachola.

SCRep. 272 Agriculture/Water & Land on H.B. No. 483

The purpose of this measure is to require the Department of Land and Natural Resources (DLNR) and the Department of Agriculture (DOA) to work with the Taro Security and Purity Task Force to identify taro lands, adjust lease rents, and modify lease qualification criteria.

The Association of Hawaiian Civic Clubs and numerous individuals testified in support of this measure. The Department of Agriculture testified in opposition to this measure. The Department of Land and Natural Resources and an individual provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that the DLNR, DOA, and the Taro Security and Purity Task Force shall work together to expeditiously identify and transfer to DOA potential taro-growing lands held by DLNR;
- (2) With respect to the cap to be set on lease rent for taro farms, leaving the applicable dollar amount per acre unspecified;
- (3) Including the identification and protection of ancient taro varieties, production lands, and infrastructure within forest reserves as within the scope of the work to be completed by DOA, DLNR, and the Taro Security and Purity Task Force;
- (4) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 483, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 483, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and Coffman.
(Representatives Choy, Cullen, Kawakami, Takayama, Tokioka and Tsuji voted no.)

SCRep. 273 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 941

The purpose of this measure is to amend the composition of the Natural Area Reserves System Commission by:

- (1) Adding a new member possessing a background in Native Hawaiian traditional and customary practices; and
- (2) Removing the Superintendent of Education from the Commission.

The Office of Hawaiian Affairs, the Department of Land and Natural Resources, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 941 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Lee and Lowen.

SCRep. 274 Economic Development & Business on H.B. No. 70

The purpose of this measure is to facilitate the growth and development of the commercial high technology industry in Hawaii by:

- (1) Amending Act 240, Session Laws of Hawaii 2012, to delete the repeal of the High Technology Innovation Corporation; and
- (2) Exempting the High Technology Innovation Corporation from the Public Procurement Code.

The Hawaii Strategic Development Corporation, the High Technology Development Corporation, and Puko'a Scientific testified in support of this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by deleting the language granting the High Technology Innovation Corporation an exemption from the Public Procurement Code. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 70, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 70, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 275 Economic Development & Business on H.B. No. 473

The purpose of this measure is to support the Natural Energy Laboratory of Hawaii Authority in its efforts to attract new projects by extending certain enterprise zone benefits to:

- (1) The activities of the Natural Energy Laboratory of Hawaii Authority; and
- (2) Businesses operating within research and technology park areas established by the Natural Energy Laboratory of Hawaii Authority.

The Natural Energy Laboratory of Hawaii Authority testified in support of this measure. The Department of Taxation and the Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 473 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 276 Economic Development & Business on H.B. No. 858

The purpose of this measure is to provide \$20,000,000 in appropriations for each year of fiscal biennium 2013-2015, for the Hawaii Strategic Development Corporation to implement the recommendations of the Governor's New Day Plan to reinvigorate state efforts to fuel an innovation economy and advance research innovation and commercialization.

The Office of the Governor; Department of Business, Economic Development, and Tourism; University of Hawaii; High Technology Development Corporation; Hawaii Strategic Development Corporation; Hawaii Venture Capital Association; Kinetiq Labs; BizGym; Lemonade Alley; Umicam; Xenon Entertainment, LLC; Edutainment Resources, Inc.; Developing Critical Thinkers, LLC; Ikehū, Inc.; Hawaii Angels; EyeGenix, LLC; Akamai Capital, LLC; Enterprise Honolulu; Startup Capital Ventures; Blue Startups; Surf Line Hawaii, Ltd.; CFO Hawaii, LLC; Kinetiq, Inc.; Creative Market Labs, Inc.; Nalukai Foundation; StartupHui, LLC; Hawaii Innovation Alliance; John Garcia Digital Media; Kona Pacific View; Creative Social Media Hawaii; and numerous individuals testified in support of this measure. One individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 858 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 277 Economic Development & Business on H.B. No. 965

The purpose of this measure is to amend the recording requirements for cash transactions to assist the Department of Taxation with the collection and enforcement of taxes.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 965 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 278 Economic Development & Business on H.B. No. 1126

The purpose of this measure is to clarify the marketing of beer produced in the State by requiring beers whose labels convey the impression that the beers were produced in the State to indicate otherwise if not produced locally.

Kona Brewing Co. testified in opposition of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 20, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1126, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1126, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 279 Economic Development & Business on H.B. No. 555

The purpose of this measure is to promote smart growth in Hawaii by establishing a state smart growth infrastructure policy by requiring state agencies involved in the planning, development, and financing of public infrastructure to:

- (1) Consider smart growth criteria prior to the approval or financing of any public infrastructure project;
- (2) Attest in writing to the fact that a proposed project meets smart growth criteria or otherwise provide a statement of justification; and
- (3) Create a smart growth advisory committee to advise the agency and communicate with organizations and communities affected by proposed projects.

The Department of Accounting and General Services, The Queen's Health Systems, and the Windward Ahupua'a Alliance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the Department of Accounting and General Services from the list of state agencies governed by the state smart growth infrastructure policy; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 555, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 280 Economic Development & Business on H.B. No. 471

The purpose of this measure is to prolong the activities of the Starlight Reserve Committee by extending the termination date of the advisory committee from June 30, 2013, to June 30, 2015.

The Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; University of Hawaii Institute for Astronomy; Starlight Reserve Committee; and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 471 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 281 Economic Development & Business on H.B. No. 1314

The purpose of this measure is to allow for the production and consumption of distilled beverages at certain premises by establishing a new class of liquor license applicable to distillery pubs.

Island Distillers Inc. and an individual testified in support of this measure. The City and County of Honolulu Liquor Commission and Hawaii Liquor Wholesalers Association provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1314 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Brower and Cachola.

SCRep. 282 Energy & Environmental Protection on H.B. No. 815

The purpose of this measure is to provide the Public Utilities Commission (PUC) with adequate flexibility and discretion to streamline and ease the regulatory process and burden for an electric cooperative in the State. Specifically, this measure:

- (1) Directs the PUC and the Division of Consumer Advocacy to specifically consider the ownership structure and interests of not-for-profit electric cooperatives; and
- (2) Authorizes the PUC to waive or exempt a not-for-profit, consumer-owned electric cooperative from chapter 269, Hawaii Revised Statutes, and all applicable franchises, charters, certificates, decisions, orders, rules or other laws upon a finding that such requirements are unjust, unreasonable, or not in the public interest.

The Public Utilities Commission, Division of Consumer Advocacy, Kauai Island Utility Cooperative, and seven individual council members of the Kauai County Council supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 815, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 815, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 283 Agriculture on H.B. No. 96

The purpose of this measure is to encourage and support the growth of new, small, and diversified farming businesses by creating a tax exemption for the first \$50,000 of income for family farms, family farm communities, and family farm cooperatives.

Life of the Land, Land Use Research Foundation of Hawaii, and several individuals testified in support of this measure. The Department of Agriculture, Department of Taxation, Babes Against Biotech.org, Hawaii Farm Bureau Federation, Occupy Monsanto, Respiratory & Environmental Disabilities Association of Hawaii, Tax Foundation of Hawaii, and numerous individuals provided comments on this measure.

Your Committee has amended this measure by changing the date for which the tax exemption shall apply to taxable years beginning after December 31, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 96, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 96, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.
(Representative Choy voted no.)

SCRep. 284 Agriculture on H.B. No. 747

The purpose of this measure is to provide a general excise tax exemption for amounts received for the slaughter and processing of poultry and livestock to be consumed in the State.

4 Ag Hawaii; Hawaii Cattlemen's Council, Inc.; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Kauai Cattlemen's Association; Local Food Coalition; and McCandless Ranch testified in support of this measure. One individual testified in opposition to this measure. The

Department of Agriculture, Department of the Attorney General, Department of Taxation, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive admendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 747, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 747, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.
(Representative Choy voted no.)

SCRep. 285 Agriculture on H.B. No. 1365

The purpose of this measure is to promote agricultural innovation and greater food security by appropriating funds to establish a rooftop garden on the fifth floor of the Hawaii State Capitol building.

The Department of Agriculture, FarmRoof, and two individuals testified in support of this measure. The Department of Accounting and General Services testified in opposition of this bill. The Historic Hawaii Foundation provided comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1365 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 286 Agriculture on H.B. No. 1388

The purpose of this measure is to assist aquacultural operations on Kauai by authorizing the issuance of special purpose revenue bonds to assist Sunrise Capital, Inc., in protecting its shrimp hatchery facility and its salt water well, located on the island of Kauai, and relocate them further inland to avoid seaside erosion.

Sunrise Capital, Inc., testified in support of this measure. The Department of Budget and Finance and Department of Agriculture submitted comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1388 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 287 Housing on H.B. No. 888

The purpose of this measure is to provide a more streamlined process regarding the disposal of abandoned property at state low-income housing projects by establishing a process whereby the Hawaii Public Housing Authority (HPHA) may sell, donate, or otherwise dispose of property that is abandoned or seized in or around any state low-income housing project, subject to certain conditions.

The Department of Human Services and HPHA supported this measure. The American Civil Liberties Union of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Extending the length of time for notice by certified mail, from at least five calendar days to at least fifteen calendar days, during which HPHA must notify the owner of property prior to its disposing of the abandoned or seized property;
- (2) Eliminating the condition that a person must first pay all unpaid rent, debts, charges, and fines owed to HPHA and all handling, storage, appraisal, advertising, and other expenses incurred in connection with the proposed disposition of abandoned or seized property in order to repossess the property;
- (3) Removing the provisions limiting the remedies available to an owner of abandoned or seized property; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 888, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 888, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 288 Housing on H.B. No. 738

The purpose of this measure is to assist residents in obtaining affordable housing by requiring the counties to adopt reasonable standards to allow the construction of a single-family dwelling unit and an accessory dwelling unit on any lot on which a residential dwelling unit is permitted.

The Hawaii Association of REALTORS and a concerned individual supported this measure. The Office of Planning supported the intent of this measure. The Department of Planning and Permitting of the City and County of Honolulu and three concerned individuals opposed this measure.

Your Committee notes that the bill allows the construction of a single-family dwelling unit and an accessory dwelling unit on a single lot on which a residential dwelling unit is permitted.

Your Committee has amended this measure by:

- (1) Excluding the construction of accessory dwelling units on state agricultural lands in counties with a population of 500,000 or fewer persons; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 738, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 738, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 289 Housing on H.B. No. 1116

The purpose of this measure is to exempt the Hawaii Public Housing Authority (HPHA) from the requirement to follow administrative grievance procedures if federal law, rule, regulation, memorandum, contract, or other instrument of the federal government allows public housing agents to terminate tenancy or evict tenants from public housing without following administrative grievance procedures.

HPHA supported this measure. The American Civil Liberties Union of Hawaii and one individual opposed this measure.

Your Committee has amended this measure by:

- (1) Specifying that section 673-3, Hawaii Revised Statutes, relating to the exhaustion of administrative remedies, shall not apply to HPHA with respect to tenant termination and eviction when permitted by the federal government; and
- (2) Specifying that judicial procedure shall substitute for and supercede administrative procedure in cases where HPHA is exempt from administrative procedure requirements.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1116, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1116, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 290 Housing on H.B. No. 1158

The purpose of this measure is to prohibit the Hawaii Public Housing Authority, in the selection of tenants, from considering a prospective tenant's conviction for a minor crime that occurred five years or more before the tenant's application date, except for crimes involving drug-related criminal activity, violent criminal activity, sexual offenses, or abuse of alcohol.

The Office of Hawaiian Affairs Beneficiary Advocacy and Empowerment Committee and several individuals testified in support of this measure. Hawaii Public Housing Authority and the American Civil Liberties Union of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Prohibiting the Hawaii Public Housing Authority from considering, in the selection of tenants, a prospective tenant's conviction for a minor crime involving abuse of alcohol which occurred five years or more before the tenant's application date; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1158, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1158, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 291 Judiciary on H.B. No. 196

The purpose of this measure is to recognize the unique needs of veterans entering the criminal justice system with mental illness and substance abuse issues arising from their service to our country by working towards establishing a veterans treatment court in the First Circuit. Specifically, this

measure authorizes the establishment of, and provides funding for:

- (1) A permanent, full-time, Social Worker IV position in the Judiciary;
- (2) A permanent, full-time, deputy public defender position in the Office of the Public Defender; and
- (3) Two temporary, full-time, deputy prosecuting attorney positions within the Department of the Prosecuting Attorney of the City and County of Honolulu, through a Grant-in-Aid.

The Judiciary; the Office of the Public Defender; the Military Officers Association of America, Hawaii Chapter; the Vietnam Veterans Post 10583 of the Veterans of Foreign Wars; The Chamber of Commerce of Hawaii; and several concerned individuals testified in support of the measure. The State Office of Veterans Services provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 196 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Kawakami, Lee and McDermott.

SCRep. 292 Judiciary on H.B. No. 275

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to authorize the Chief Justice of the Hawaii Supreme Court to appoint judges who have retired upon attaining the age of seventy years as emeritus judges, permitting them to serve as temporary judges in courts no higher than the court level that they reached prior to retirement and for terms not to exceed three months per appointment.

The Judiciary, the League of Women Voters of Hawaii, and a concerned individual supported this bill. The Department of the Prosecuting Attorney of the City and County of Honolulu opposed this measure. The Office of the Public Defender submitted comments.

Your Committee notes concern with the use of the term "justices" as it relates to the title of the bill.

Your Committee has amended this measure by:

- (1) Clarifying that emeritus judge appointments may include judges and justices who have retired upon attaining the age of seventy years and those who have retired for reasons other than age;
- (2) Clarifying that for purposes of the appointment of emeritus judges, the term "retired judges" includes "justices" of the Hawaii Supreme Court; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 275, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 275, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Ito, Lee and Wooley.
(Representative McDermott voted no.)

SCRep. 293 Higher Education on H.B. No. 158

The purpose of this measure is to assist members of the National Guard with higher education expenses by expanding the scope of the Hawaii National Guard's tuition assistance program by including members with officer ranks O-4 and O-5 and authorizing tuition assistance for students working toward a graduate degree. This measure also provides priority consideration for those students working toward an associate or undergraduate degree.

The University of Hawaii System supported this measure.

Your Committee has amended this measure by:

- (1) Providing priority consideration for tuition assistance to enlisted soldiers and warrant officers; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 158, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 158, H.D. 2.

Signed by all members of the Committee except Representatives Hanohano, Ohno, Takumi and Fale.

SCRep. 294 Higher Education on H.B. No. 1025

The purpose of this measure is to support research at the University of Hawaii by appropriating an unspecified amount in general funds to support a full-time equivalent Okinawan studies librarian position at the University of Hawaii at Manoa library.

Several concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Appropriating \$60,000 in general funds for the full-time equivalent Okinawan studies librarian position at the University of Hawaii at Manoa library; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1025, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1025, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 295 Public Safety on H.B. No. 1279

The purpose of this measure is to appropriate matching funds to be expended by the Department of Labor and Industrial Relations for programs related to the re-integration of offenders into the general population.

The Office of Hawaiian Affairs, Community Alliance on Prisons, and American Civil Liberties Union of Hawaii supported this measure. The Department of Public Safety supported the intent of this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1279, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1279, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 296 Public Safety on H.B. No. 947

The purpose of this measure is to increase efficiency in the Hawaii Paroling Authority at parole hearings, specify conditions for time served for parole violations, and make a technical revision to Act 139, Session Laws of Hawaii 2012 by:

- (1) Defining the number of members necessary for the Hawaii Paroling Authority to make decisions at a parole hearing;
- (2) Clarifying that a parole violator who is charged with a new felony misdemeanor offense involving firearms and dangerous weapons as defined under chapter 134, Hawaii Revised Statutes, will not be limited to a six-month revocation period of incarceration;
- (3) Specifying that credit be given for time served in custody for a parole violation when a prisoner is arrested outside the State on a parole warrant; and
- (4) Fixing an error in the repeal date of Act 139, Session Laws of Hawaii 2012.

The Department of Public Safety and Hawaii Paroling Authority supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 947 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 297 Public Safety on H.B. No. 945

The purpose of this measure is to ensure the timely nomination of new members to the Hawaii Paroling Authority by allowing the Chief Justice, Director of Public Safety, and the president of the Hawaii State Bar Association to appoint designees to represent them on the Hawaii Paroling Authority Nomination Panel that reviews applicants for the Hawaii Paroling Authority and nominates members for the Governor's consideration.

The Department of Public Safety and Hawaii Paroling Authority supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 945 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 298 Public Safety on H.B. No. 218

The purpose of this measure is to enhance the Corrections Population Management Commission's capacity to examine the issue of the disproportionate number of Native Hawaiians in the criminal justice system by:

- (1) Adding two new members to the Commission, including the Administrator of the Office of Hawaiian Affairs; and
- (2) Specifying the background and appointment process for the additional public member.

The Department of Public Safety, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and Community Alliance on Prisons supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 218, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 299 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 930

The purpose of this measure is to relieve the financial burden on the Department of Land and Natural Resources (DLNR) caused by unauthorized vessels in state harbors by:

- (1) Requiring that all costs and expenses associated with the impoundment and disposal of an unauthorized vessel by DLNR be borne by the vessel owner; and
- (2) Clarifying that no vessel registration shall be renewed or transferred unless the vessel owner is in compliance with all of DLNR's rules and has paid all fees owed to DLNR.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 930 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 300 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1441

The purpose of this measure is to protect and promote the Hawaiian culture by establishing the Museum of Music and Dance Committee to prepare plans for the construction of a museum of music, dance, and cultural arts.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and an individual provided testimony in support of this measure. The State Foundation on Culture and the Arts and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1441 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 301 Water & Land on H.B. No. 193

The purpose of this measure is to require the Land Use Commission, upon request and if certain conditions are met, to extend the time period by which a petitioner shall comply with requirements, terms, or conditions that were imposed by the Commission as part of the approval of a district boundary amendment.

The Land Use Research Foundation of Hawaii and the Pacific Resource Partnership testified in support of the measure. The Land Use Commission testified in opposition to the measure. The Office of Planning offered comments.

Your Committee finds that the State uses a two-tiered system of land use approvals, whereby the counties enforce the use classification districts adopted by the Land Use Commission. In instances where the Land Use Commission imposes a specific timeline for a project in its approval of a district boundary amendment, the appropriate county assesses the specific uses, development, and timing according to county ordinances, zoning, and subdivision rules. This lengthy approval process often makes deadlines imposed by the Land Use Commission difficult to meet. Your Committee finds that this measure provides a reasonable means by which developers may satisfy any requirements, terms, or conditions imposed by the Land Use Commission as part of the approval of a district boundary amendment.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 193 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Fale and Thielen voted no.)

SCRep. 302 Water & Land on H.B. No. 798

The purpose of this measure is to clarify notice requirements for Hawaii Community Development Authority public hearings relating to proposed rule amendments and land developments.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and the Executive Director of the Hawaii Community Development Authority.

Your Committee finds that, currently, it is unclear whether hearing notices given by the Hawaii Community Development Authority must be given by statewide publication or by county-wide publication. Your Committee further finds that requiring the Hawaii Community Development Authority to give notice by statewide publication for hearings on administrative rulemaking and by county-wide publication for hearings on proposals to develop lands under the Hawaii Community Development Authority's control will provide necessary clarity and increase efficiency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 798 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 303 Water & Land on H.B. No. 859

The purpose of this measure is to enable the Hawaii Community Development Authority to incorporate complete streets design to create safe and convenient street routes for all pedestrians, bicyclists, and users of public transportation in community development districts by:

- (1) Requiring the Authority to notify a county that will be affected by proposed improvements to county highways and county-owned adjacent land and to allow the county an opportunity to present its position at a public hearing;
- (2) Requiring the county to accept the dedication of county-approved improvements constructed in accordance with the Authority's complete street rules; and
- (3) Requiring the Authority to develop and adopt complete streets standards and plans for community development districts.

The Department of Business, Economic Development, and Tourism; Executive Director of the Hawaii Community Development Authority; Office of the Governor; a member of the Honolulu City Council; Blue Planet Foundation; and Outdoor Circle submitted testimony in support of this measure. The Department of Transportation Services of the City and County of Honolulu submitted comments.

Your Committee finds that this measure reflects on-going cooperation between the Hawaii Community Development Authority and the City and County of Honolulu. Your Committee further finds that this measure directs the Authority to adopt the necessary rules to provide the counties an opportunity to present their respective positions on the Authority's complete streets developments at a public hearing.

Your Committee has amended this measure by:

- (1) Specifying that decisions of the Authority shall include findings that proposed improvements to a county highway or adjacent land are consistent with local and national policies, principles, guidelines, and best practices;
- (2) Specifying that a decision issued in compliance with the notice and findings requirements shall be final and binding on the affected county, which shall permit and accept dedication of the improvements;
- (3) Making it effective upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 859, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 859, H.D. 2.

Signed by all members of the Committee.

SCRep. 304 Water & Land on H.B. No. 866

The purpose of this measure is to clarify and confirm the counties' ownership of and responsibility for certain existing sewer systems servicing Hawaiian Home Lands, including by requiring the counties to accept dedication of and to operate, improve, maintain, and repair certain sewer systems.

The Department of Hawaiian Home Lands submitted testimony in support of this measure. The Department of Environmental Services of the City and County of Honolulu submitted testimony in opposition to this measure.

Your Committee notes that this measure confirms the respective counties' ownership of already-existing sewer systems that service Hawaiian Home Lands and that either were developed, constructed, operated, improved, or maintained by the counties, or for which the counties otherwise have already-existing obligations to operate, improve, repair, or maintain.

Your Committee has amended this measure by:

- (1) Clarifying that the counties shall accept license or dedication of sewer systems at the election of the Department of Hawaiian Home Lands; provided that existing sewer lines and sewerage facilities that were not developed, operated, or maintained by the counties, as well as lines and facilities completed after the effective date of this measure, shall be brought into substantial compliance with applicable regulatory laws and regulations prior to acceptance by the counties;
- (2) Specifying that the counties shall not abandon or terminate sewer lines and facilities servicing Hawaiian Home Lands without approval by the Department of Hawaiian Home Lands and shall make alternate lines and facilities available if termination or abandonment is necessary; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 866, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee.

SCRep. 305 Water & Land on H.B. No. 1074

The purpose of this measure is to encourage the public to participate in historic preservation by providing a refundable income tax credit for expenditures made to rehabilitate or preserve a historic structure.

One individual submitted testimony in support of this measure. The Department of the Attorney General, Department of Taxation, Department of Land and Natural Resources, and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that a taxpayer be a resident in order to claim the credit;
- (2) Clarifying that individuals who are party to a reciprocal beneficiary relationship or a civil union may claim the tax credit in the same manner as a husband and wife, to the extent that they are eligible to file a joint tax return;
- (3) Clarifying that the tax credit may be claimed for expenditures to rehabilitate or preserve an archaeological or cultural, as well as historic, site;
- (4) Clarifying the operation of the tax credit's recapture provisions; and
- (5) Making nonsubstantive technical amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1074, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1074, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 306 Water & Land on H.B. No. 1227

The purpose of this measure is to promote the restoration of the grounds of Iolani Palace by:

- (1) Prohibiting parking on the Palace grounds;
- (2) Directing the Department of Accounting and General Services to submit a proposal to the Legislature for removing blacktop, parking areas, and parking meters and, subsequently, to carry out those actions; and
- (3) Directing the Department of Land and Natural Resources to submit a proposal to the Legislature for developing and maintaining a pedestrian area composed of grass and other historically appropriate materials to replace blacktop and parking areas and, subsequently, to carry out those actions.

One individual submitted testimony in support of this measure. The Department of Land and Natural Resources submitted testimony in opposition to this measure. Iolani Palace submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the prohibition on parking and directives to the Department of Accounting and General Services and the Department of Land and Natural Resources;
- (2) Inserting appropriations to be expended by the Department of Land and Natural Resources to complete Phase I and to implement and complete Phase II of the Iolani Palace grounds master plan;
- (3) Changing its effective date to July 1, 2013; and

- (4) Making nonsubstantive technical amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1227, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Coffman and Hanohano.

SCRep. 307 Water & Land on H.B. No. 1330

The purpose of this measure is to appropriate funds for the Division of Conservation and Resource Enforcement, Department of Land and Natural Resources.

More specifically, this measure appropriates \$2,000,000 to restore funding cuts over the past four years.

Testimony in support of this measure was submitted by Lanai Hunters United, the Kailua Neighborhood Board, and thirty-five individuals. Written comments were submitted by the Department of Land and Natural Resources and two individuals.

Your Committee finds that, due to budget cuts the past several years, the Department of Land and Natural Resources has had to reduce or eliminate non-essential programs and services and limit work hours for officers and the number of officers on patrol. As a result, enforcement of laws necessary for the protection of the State's natural resources has suffered. Your Committee therefore finds that the restoration of the budget of the division of conservation and resource enforcement is imperative for the protection and sustainability of the State's natural environment.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1330 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 308 Water & Land/Energy & Environmental Protection on H.B. No. 988

The purpose of this measure is to protect native wildlife in the State by increasing the environmental response, energy, and food security tax by an unspecified amount until June 30, 2015, and then increasing the environmental response tax by \$0.02 per barrel on June 30, 2015, and depositing a specified amount of the increases into the Wildlife Recovery and Rehabilitation Special Fund to support the operations of a facility that will respond to oil and fuel-related disasters affecting native wildlife.

The Office of Hawaiian Affairs, Conservation Council for Hawaii, Hawaii Wildlife Center, and several individuals provided testimony in support of this measure. The Department of Budget and Finance, the Department of Land and Natural Resources, the Department of Taxation, and the Tax Foundation of Hawaii provided comments on this measure.

Your Committees have amended this measure by clarifying that the environmental response tax collected shall be deposited into the Environmental Response Revolving Fund except for the amounts that shall be deposited into the Wildlife Recovery and Rehabilitation Special Fund.

As affirmed by the records of votes of the members of your Committees on Water & Land and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 988, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 988, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Fale.

SCRep. 309 Human Services on H.B. No. 176

The purpose of this measure is to assist the Department of Human Services in its efforts to provide access to affordable health care for working individuals with disabilities by extending the activities of the Medicaid Buy-In Task Force established under Act 200, Session Laws of Hawaii 2012, by extending the dissolution date of the Task Force from June 30, 2013, to June 30, 2014. This bill also requires the Task Force to submit both interim and final reports to the Legislature.

The Department of Human Services, State Council on Developmental Disabilities, and Community Alliance for Mental Health testified in support of this measure. An individual testified in opposition of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 176 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 310 Human Services on H.B. No. 385

The purpose of this measure is to enhance asset building and financial security for Hawaii residents by:

- (1) Providing for a state refundable earned income tax credit;

- (2) Requiring the Department of Human Services to offer financial education to applicants for and recipients of Temporary Assistance for Needy Families; and
- (3) Appropriating funds to assist the Department of Human Services in offering financial education to applicants for and recipients of Temporary Assistance for Needy Families.

The Office of Hawaiian Affairs; Catholic Charities Hawaii; Goodwill Industries of Hawaii, Inc.; Hawai'i Alliance for Community-Based Economic Development; Hawaii Appleseed Center for Law and Economic Justice; PHOCUSED; Partners in Care; and an individual testified in support of this measure. The Department of the Attorney General, Department of Human Services, Department of Taxation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee notes that it is the intent of your Committee in amending this measure for the Department of Human Services to take the lead in working with the Department of Taxation and the communities affected on the earned income tax credit matter.

Your Committee has amended this measure by specifying that the tax credit may be claimed by any individual or corporation meeting the credit qualifications rather than only resident individuals and corporations. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 385, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 385, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 311 Human Services on H.B. No. 398

The purpose of this measure is to require all operators of child care facilities licensed by the Department of Human Services to develop, maintain and implement written safe sleep policies that require children one year of age or younger to be placed on their back for sleeping. Operators are also required to discuss the policy with the parents, conduct training on safe sleep policies, and report deaths of children that occur while in their care.

Malama Family Recovery Center, Healthy Mothers Healthy Babies Coalition of Hawaii, Child and Family Services, March of Dimes Foundation, and several individuals testified in support of this measure. The Department of Human Services testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Deleting language specifying aspects of a safe sleep policy from the measure in order to allow the Department of Human Services to adopt specific rules in accordance with Chapter 91, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 398, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 398, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Belatti.

SCRep. 312 Human Services on H.B. No. 401

The purpose of this measure is to provide support for social service programs previously funded under the Temporary Assistance for Needy Families by making numerous appropriations.

Hawaii Youth Services Network, Planned Parenthood of Hawaii, and Hawaii State Coalition Against Domestic Violence testified in support of the measure. The Department of Human Services provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to allow for more discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 401, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 401, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 313 Human Services on H.B. No. 643

The purpose of this measure is to control illegal activity among Hawaii's youth, including youth gang behavior. Among other things, this bill appropriates funds:

- (1) For the continued operation of:
 - (A) A statewide information system and information clearinghouse on youth gangs;
 - (B) Public education on the youth gang problem;
 - (C) Community support groups to help citizens confront and deal with the problem of youth gangs;
 - (D) A statewide training program that includes cultural identity training for public citizens and government personnel who are involved or are in contact with youth gangs; and
 - (E) A statewide law enforcement task force focused on resolving youth gang criminal activities;
- (2) For the police departments of the City and County of Honolulu, and the Counties of Hawaii, Maui, and Kauai to monitor gang activities, and establish new gang prevention programs;
- (3) To commission the Center for Youth Research of the University of Hawaii to:
 - (A) Assist the Department of Parks and Recreation of the City and County of Honolulu to plan and develop programs for targeted youth groups; and
 - (B) Conduct a study of the activities offered to youths between thirteen and eighteen years of age by the Department of Parks and Recreation of the City and County of Honolulu in targeted communities that have yet to be determined;
- (4) For the statewide expansion of the Campus Disturbance Plan of the Department of Education;
- (5) For the Department of Education to continue the school based gang and drug prevention and intervention project initiated by the Honolulu Police Department in 1990 at Kalakaua and Dole Middle schools, and to expand the project to include schools that have yet to be determined;
- (6) For the Department of Human Services' Office of Youth Services to provide and develop prevention and intervention services and programs statewide for youth-at-risk;
- (7) For the Center for Youth Research of the University of Hawaii to conduct an evaluation of the youth gang response system; and
- (8) To the Department of Human Services' Office of Youth Services to provide personnel, equipment, office space, and intrastate travel for monitoring purposes associated with its role in coordinating activities described in paragraphs (1) through (7) above.

The Department of Education, Honolulu Police Department, and two concerned individuals testified in support of this measure. The Office of Youth Services of the Department of Human Services provided comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 643, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 643, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 314 Human Services on H.B. No. 871

The purpose of this measure is to ensure that recipients of services from the Hospital Sustainability Program (Program) continue to receive medically necessary services and that hospitals participating in the Program continue to receive timely payments for these services by making an emergency appropriation of \$43,000,000 from the Hospital Sustainability Program Special Fund to the Department of Human Services to be used consistent with the purposes of the Hospital Sustainability Program Special Fund.

The Department of Human Services and Hawai'i Pacific Health testified in support of this bill.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in his Governor's Message No. 214 to the Legislature, requested immediate consideration and passage of this bill by the Legislature.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 871 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 315 Human Services on H.B. No. 1188

The purpose of this measure is to expand economic opportunities and address poverty in Hawaii by establishing the Economic Opportunity

Poverty Reduction Task Force to develop a strategic, integrated, and comprehensive plan to reduce, by at least 50 percent by 2023, the number of Hawaii residents, including children and families, living in poverty.

The Hawai'i Alliance for Community-Based Economic Development testified in support of this bill. The Office of Community Services of the Department of Labor and Industrial Relations testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1188 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 316 Labor & Public Employment on H.B. No. 437

The purpose of this measure is to improve the workers' compensation system by, among other things:

- (1) Requiring independent medical examinations and permanent impairment rating examinations for workers' compensation claims to be performed by a physician mutually agreed upon by the employer and employee, or appointed by the Director of Labor and Industrial Relations (Director) from a list of qualified physicians in the event that the parties cannot agree, and requiring that the exam be conducted within specified time limits;
- (2) Establishing licensing and qualification requirements for physicians performing workers' compensation-related medical examinations;
- (3) Specifying rules for the conduct, payment, and allowable number of workers' compensation-related medical exams;
- (4) Suspending an employee's right to claim compensation for the work injury if the employee refuses to submit to or obstructs an independent medical examination or a permanent impairment rating examination;
- (5) Repealing section 386-79, Hawaii Revised Statutes, relating to medical examinations by the employer's physician; and
- (6) Appropriating funds for positions in the Department of Labor and Industrial Relations Disability Compensation Division to assist in workers' compensation claims.

Hawaii Rehabilitation Counseling Association; Work Injury Medical Association of Hawaii; ILWU Local 142; Hawaii State AFL-CIO; Hawaii Injured Worker Association; and several individuals supported this measure. The City and County of Honolulu; Hawaii Insurers Council; Retail Merchants of Hawaii; BIA-Hawaii; Property Casualty Insurers Association of America; Hawaii Restaurant Association; L&R Farm Ent LLC; Hawaii Island Adult Care, Inc.; ALTRES, Inc.; The Chamber of Commerce of Hawaii; General Contractors Association of Hawaii; Camp Mokule'ia; Hawai'i Pacific Health; Starwood Hotels & Resorts Worldwide, Inc.; Society for Human Resources Management Hawai'i Chapter; Hawaiian Telecom; Hawaiian Electric Co. Inc.; Maui Electric Company, LTD.; Hawaii Electric Light Company, Inc.; Westin Princeville Ocean Resort Villas; NFIB Hawaii; Outrigger Hotels Hawaii; RMA Sales; and numerous individuals opposed this measure. The Department of Human Resources Development and the Department of Labor and Industrial Relations provided comments.

After further consideration of concerns raised by the Department of Labor and Industrial Relations, your Committee defers to that Department's expertise and has adopted language recommended by the Department that is substantially similar to the original language of this measure and includes the following operative amendments:

- (1) Specifying that a physician selected by the parties or appointed by the Director shall be licensed to practice in Hawaii, except in specific cases;
- (2) Extending the time within which an independent medical examination shall be conducted from 30 to 45 days;
- (3) Specifying that the contemplation of major surgery or elective surgery are exceptions to limits on the number of allowable workers' compensation-related medical examinations;
- (4) Specifying instances when a physician who is licensed in a state other than Hawaii may be selected;
- (5) Changing the effective date to January 1, 2113, to promote further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 437, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 437, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 317 Labor & Public Employment on H.B. No. 152

The purpose of this measure is to help align the workers' compensation medical fee schedule with the current cost of health care by increasing the cap on allowable medical fees from 110 percent to 130 percent of the fees prescribed in the Medicare Resource Based Relative Value Scale beginning January 1, 2014.

The Hawaii State AFL-CIO; International Longshore and Warehouse Union Local 142; Kaiser Permanente Hawaii; Hawaii Medical Association; Work Injury Medical Association of Hawaii; CHART Rehabilitation; Hawaii Injured Worker Association; Hawaii Chapter, American Physical Therapy Association; and several individuals supported this measure. The Department of Human Resources of the City and County of Honolulu; Hawaiian Electric Company, Inc.; Maui Electric Company, LTD.; Hawaii Electric Light Company, Inc.; The Chamber of Commerce of Hawaii; Hawaii Insurers Council; and Property Casualty Insurers Association of America opposed this measure. The Department of Labor and Industrial Relations, Department of Human Resources Development, and Department of Commerce and Consumer Affairs provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2113, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 152, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 152, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 318 Labor & Public Employment on H.B. No. 546

The purpose of this measure is to address the Hawaii Employer-Union Health Benefits Trust Fund's (EUTF) escalating costs to both the employer and employees by requiring the Board of Trustees of the EUTF to:

- (1) Offer on July 1, 2015, and thereafter only medical benefits plans that pay or reimburse medical services providers under an alternative payment model as opposed to a fee-for-service model;
- (2) Evaluate alternative payment models to replace the fee-for-service model; and
- (3) Submit a report of its findings and recommendations, including any proposed legislation deemed necessary by the Board of Trustees of the EUTF, to the Governor and Legislature before the 2015 Regular Session.

This measure also:

- (1) Authorizes the Board of Trustees of the EUTF to offer retired employees a supplemental medicare plan that pays or reimburses medical service providers under a fee-for-service model if an alternative payment model is unavailable, impractical, or excessively costly; and
- (2) Appropriates an unspecified amount to fund the evaluation of alternative models.

The Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO offered comments on this measure.

Your Committee has amended this measure by deleting and substituting its substantive content with provisions that:

- (1) Establish a Hawaii Employer-Union Health Benefits Trust Fund Task Force within the Department of Budget and Finance for administrative purposes to examine the unfunded liability of the EUTF; and
- (2) Require the Task Force to submit a report to the Legislature before the 2014 Regular Session.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 546, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 546, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takumi.

SCRep. 319 Labor & Public Employment on H.B. No. 833

The purpose of this measure is to make emergency appropriations to fund all collective bargaining cost items for fiscal biennium 2011-2013 in the arbitrated settlement for members of collective bargaining unit (10) and their excluded counterparts.

Testimony in support of this measure was received from the United Public Workers. Comments on the measure were received from the Department of Budget and Finance.

Your Committee finds that interest arbitration proceedings were held in November 2012 and an arbitration award was received on January 10, 2013. The award included no wage reductions for the entire contract period and a 3.2 per cent across-the-board increase beginning January 16, 2013. This measure provides a necessary vehicle to fund the collective bargaining cost items in the arbitrated settlement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your

Committee is in accord with the intent and purpose of H.B. No. 833 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 320 Labor & Public Employment on H.B. No. 834

The purpose of this measure is to make emergency appropriations to fund all collective bargaining cost items for fiscal biennium 2011-2013 in the arbitrated settlement for members of collective bargaining unit (11) and their excluded counterparts.

Testimony in support of this measure was received from the Department of Budget and Finance and the Hawaii Fire Fighters Association.

Your Committee finds that an arbitration hearing for bargaining unit (11) is scheduled for March 2013. This measure is intended to be the vehicle to fund the amounts after they are awarded by the arbitration panel.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 834 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 321 Labor & Public Employment on H.B. No. 1176

The purpose of this measure is to improve the process by which disagreements between an employer and a medical services provider over the amount of medical service fees is resolved. Specifically, this measure, among other things:

- (1) Authorizes the employer and provider of services to notify the Director of Labor and Industrial Relations (Director) in the event of a reasonable disagreement relating to specific medical service charges;
- (2) Requires that the notice of the dispute is done in writing and that the parties negotiate during the 31 calendar days following the date of the notice to the Director;
- (3) Allows parties to request the Director to render an administrative decision without a hearing in the event the parties fail to reach an agreement within the 31-day negotiation period;
- (4) Allows the Director to assess a service fee of up to \$500 against either or both parties who fail to negotiate in good faith; and
- (5) Establishes that the administrative decision rendered by the Director is final and nonappealable.

The Department of Labor and Industrial Relations; the ILWU Local 142; Automated HealthCare Solutions, LLC; Work Injury Medical Association of Hawaii; and Hawaii Laborers' Union supported this measure. The Department of Human Resources Development; Department of Human Resources of the City and County of Honolulu; Solera Integrated Medical Solutions; Hawaii Insurers Council; Hawaiian Electric Co., Inc.; Maui Electric Company, Ltd.; and Hawaii Electric Light Company, Inc., opposed this measure. The Chamber of Commerce of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Retaining the language covering disputes between an insurer or self-insured employer and a medical provider regarding the amount of a fee for medical services;
- (2) Clarifying that an administrative decision by the Director is not appealable under section 386-73, Hawaii Revised Statutes (HRS), relating to the Director's original jurisdiction controversies, or section 386-87, HRS, relating to appeals to the appellate board; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1176, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1176, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 322 Labor & Public Employment on H.B. No. 713

The purpose of this measure is to prohibit employers from requesting or requiring employees or applicants from disclosing information relating to their social media accounts and from taking adverse actions against an employee or applicant for not complying with a request or demand by the employer regarding certain personal social media.

The American Civil Liberties Union of Hawai'i and a few individuals supported this measure. The Hawaii Civil Rights Commission supported the intent of this measure. The Honolulu Police Department, Maui Police Department, State Privacy and Security Coalition, and American Council of Life Insurers opposed this measure. The Chamber of Commerce of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Replacing the term "social media" with "personal account" throughout and defining the term "personal account";
- (2) Moving the new statutory section created by this measure to part III of chapter 378, Hawaii Revised Statutes, to facilitate appropriate enforcement;
- (3) Providing that the prohibitions against an employer's access to an employee's personal account shall not prevent an employer from complying with other state and federal law or rules of self-regulatory organizations;
- (4) Creating an exception for law enforcement agencies conducting background checks of applicants for employment; and
- (5) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 713, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 713, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Johanson.

SCRep. 323 Labor & Public Employment on H.B. No. 832

The purpose of this measure is to make emergency appropriations to fund salary increases and other wage related cost items for public employees in collective bargaining unit (9) and their excluded counterparts during fiscal biennium 2011-2013.

Testimony in support of this measure was submitted by the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that this measure should continue to move through the legislative process as a vehicle to fund arbitration awards that may be rendered during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 832 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 324 Labor & Public Employment on H.B. No. 806

The purpose of this measure is to authorize the board of trustees of the Employees' Retirement System to appoint investment officers.

This measure also changes the title of the "administrator" of the Employees' Retirement System to "executive director."

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Employees' Retirement System.

Your Committee finds that the corpus of the Employees' Retirement System currently exceeds \$12,000,000,000. The investment staff which comprises a chief investment officer and an investment specialist is not adequate in light of the uncertainty and complexity of financial markets and the best practices of similarly-sized public pension funds. Expanding the investment staff will increase in-house knowledge and save up to \$1,000,000 per year in consultant fees. Your Committee further finds that changing the title of the "administrator" of the Employees' Retirement System to "executive director" will make the title consistent with the titles of other administrative agencies and public pension funds.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 806 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Johanson.

SCRep. 325 Agriculture on H.B. No. 1184

The purpose of this measure is to require the Department of Agriculture to develop a food sustainability standard to promote local food production to help diversify the local economy, and to appropriate funds for that purpose.

The Sierra Club, Hawaii Chapter, and a few individuals testified in support of this measure. The Land Use Research Foundation of Hawaii opposed this measure. The Department of Agriculture and a few individuals submitted comments.

Your Committee notes that the establishment of a food sustainability standard raises economic policy issues that may be appropriate for consideration by the Department of Business, Economic Development, and Tourism.

Accordingly, your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1184, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1184, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 326 Judiciary on H.B. No. 201

The purpose of this measure is to encourage transparency in the election process by amending Hawaii campaign finance laws to, among other things:

- (1) Define the term "matching payment period";
- (2) Add the treasurer to those whom the Campaign Spending Commission monitors for compliance with reporting requirements;
- (3) Make "housekeeping" revisions that neither enlarge nor curtail the duties of the Campaign Spending Commission;
- (4) Require that the January supplemental reports for candidate and noncandidate committees be filed annually;
- (5) Expand the reporting requirements for noncandidate committees to include contributions made and identification of the candidate supported or opposed by the expenditure;
- (6) Establish a deadline for the filing of the voluntary expenditure limits affidavit; and
- (7) Increase the amount of allowable expenditures made by a partially publicly financed candidate for the office of prosecuting attorney.

The Campaign Spending Commission, League of Women Voters of Hawaii, Common Cause Hawaii, and Americans for Democratic Action/Hawaii supported this bill.

Your Committee has amended this measure by:

- (1) Correcting a statutory reference within the provision relating to the filing of required reports by registered noncandidate committees; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 201, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Lee and Wooley.

SCRep. 327 Judiciary on H.B. No. 300

The purpose of this measure is to promote voter education concerning constitutional and county charter amendments by requiring the Chief Election Officer:

- (1) To publish a ballot pamphlet that contains a "plain language" description of any proposed amendments to be prepared by the Legislature, or county clerk or the county clerk's designee, as applicable; and
- (2) To publish a website that incorporates the information contained in the ballot pamphlet, and other related information, and allows for public discussion of the amendments.

The League of Women Voters of Hawaii, Common Cause Hawaii, Councilmember of District IV of the Honolulu City Council, and a concerned individual testified in support of this measure. The Office of the County Clerk of the County of Maui testified in opposition to this bill. The Office of Elections and Office of the County Clerk of the County of Kauai provided comments.

Your Committee has amended this measure by:

- (1) Requiring the Legislative Reference Bureau, instead of the Legislature, to prepare summaries for proposed amendments to the Hawaii State Constitution;
- (2) Requiring that any summaries prepared by the Legislative Reference Bureau, or the county clerk or the county clerk's designee, as applicable, be submitted to the Office of Elections no later than ninety days prior to the general election;
- (3) Narrowing the scope of the required features of the website to be maintained by the Office of Elections; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 300,

H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Wooley.

SCRep. 328 Transportation on H.B. No. 687

The purpose of this measure is to appropriate funds to the Department of Transportation (Department) to study and develop a training program relating to emergency situations involving electric vehicles. Specifically, this measure, among other things:

- (1) Appropriates \$50,000 to the Department to study and develop a training program regarding the potential risks involved and precautionary measures needed for emergency personnel who are called to emergency situations involving an electric vehicle; and
- (2) Requires the Department to submit a report of its findings and recommendations, including proposed legislation, to the Legislature.

The State Fire Council, the Fire Chief of the Kauai Fire Department, and the Hawaii Automobile Dealers Association supported this measure. The Department of Transportation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 687 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 329 Transportation on H.B. No. 1112

The purpose of this measure is to mitigate the traffic congestion from West Oahu by requiring the Director of Transportation to take specified traffic mitigation actions for east-bound traffic near Kunia Road.

A concerned individual supported this bill. The Department of Transportation supported the intent of this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1112, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1112, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 330 Transportation on H.B. No. 602

The purpose of this measure is to work towards ensuring that all motor vehicles in Hawaii are registered and insured by prohibiting a towing operator from releasing a towed motor vehicle unless the party recovering the vehicle provides proof that the motor vehicle is currently registered and insured.

State Farm Mutual Automobile Insurance Company opposed this measure.

Your Committee has amended this measure by:

- (1) Specifying that the proof of registration and insurance requirement does not apply when a towing company is:
 - (A) Releasing a damaged or recovered-theft vehicle to a licensed salvage processor or body shop; or
 - (B) Otherwise releasing a vehicle at the direction of an insurer;
- (2) Changing its effective date to July 1, 2020, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 602, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 602, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 331 Transportation on H.B. No. 978

The purpose of this measure is to clarify the types of vending activities that are prohibited on state highways and to authorize the Director of Transportation to make exceptions for vending in the highway airspace.

The Department of Transportation supported this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Adding solicitation to the list of prohibited activities;
- (2) Changing its effective date to July 1, 2020, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 978, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 978, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 332 Transportation on H.B. No. 660

The purpose of this measure is to examine ways to reduce costs and improve the timely shipping of goods to Oahu from Molokai, Lanai, and Hana, Maui by establishing a working group within the Department of Business, Economic Development, and Tourism.

The Hawaii Farm Bureau Federation, a councilmember of the Maui County Council, and a number of concerned individuals supported this bill. The ILWU Local 142 supported the intent of this measure. Molokai Chamber of Commerce supported this measure with amendments. The Department of Business, Economic Development, and Tourism; the Department of Taxation; and Young Brothers, Limited provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the working group shall include designees of certain state and county members;
- (2) Reducing the number of members of the working group to 10 members by removing the following members:
 - (A) The executive director of the Hawaii Farm Bureau Federation;
 - (B) The executive director of the Hawaii Farmers Union United;
 - (C) The member of the House of Representatives; and
 - (D) The member of the Senate;
- (3) Removing the provision allowing for the addition of members the chairperson of the working group determined to be necessary;
- (4) Changing its effective date to July 1, 2020, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 660, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 660, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 333 Transportation on H.B. No. 75

The purpose of this measure is to amend the State registration fee and State vehicle weight tax for antique motor vehicles by establishing:

- (1) A \$25 annual motor vehicle registration fee for antique motor vehicles that shall be deposited into the State Highway Fund and the Emergency Medical Services Special Fund; and
- (2) A one cent per pound annual vehicle weight tax for antique motor vehicles.

The Department of Taxation offered comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 75, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 75, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 334 Transportation on H.B. No. 146

The purpose of this measure is to prohibit the use of certain types of motor vehicle wheels that are considered dangerous by:

- (1) Defining the term "dangerous wheels" to mean any wheel, wheel cover, hubcap, lug nut cover or cap, prong, or any ornamentation affixed to any of the aforementioned items that extends past the wheel's rim and that may cause injury or property damage by minimal contact with a person or object; and
- (2) Prohibiting any person from operating a vehicle, trailer, or semi-trailer equipped with dangerous wheels.

The Department of Transportation, the Honolulu Police Department, and the County of Hawai'i Police Department supported this measure. The Hawaii Transportation Association supported the intent of this measure. The Hawaii Automobile Dealers Association opposed this measure.

Your Committee has amended this measure by:

- (1) Specifying that any wheel, wheel cover, hubcap, lug nut cover or cap, prong, or any ornamentation affixed to any of the aforementioned items must extend at least four inches past the wheel's rim to fall within the definition of "dangerous wheels";
- (2) Changing the effective date to July 1, 2020, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 146, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 146, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 335 Transportation on H.B. No. 1423

The purpose of this measure is to examine the feasibility of redeveloping the collapsed pier at Mala Wharf on the island of Maui by establishing a Mala Wharf Task Force.

The Ocean Tourism Coalition and a member of the Maui County Council supported this bill. The Department of Land and Natural Resources opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1423, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1423, H.D. 1, and be referred to the Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee.

SCRep. 336 Transportation on H.B. No. 1101

The purpose of this measure is to help reduce the number of uncertified motor carriers in the State by:

- (1) Prohibiting uncertified common carriers from recovering undercharges;
- (2) Prohibiting uncertified motor carriers from holding a statutory lien on transported freight or goods; and
- (3) Permitting a person who uses the services of an uncertified common carrier to bring a judicial action for the recovery of all paid compensation.

The Hawaii Transportation Association supported this measure. The Public Utilities Commission provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1101, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representative Aquino.

SCRep. 337 Human Services on H.B. No. 1187

The purpose of this measure is to promote public awareness of human trafficking as a significant societal and public health crisis by designating the month of January as "Human Trafficking Awareness Month".

The Office of Community Services and IMU Alliance testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1187 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 338 Human Services on H.B. No. 1206

The purpose of this measure is to maintain continuity on the Hawaii Interagency Council on Homelessness (Council) and continue to move forward on the State's efforts to address the many challenges to ending homelessness by providing for the appointment of a House of Representatives member and a Senate member to serve as alternate members on the Council in the absence of the House and Senate member, respectively.

The Department of Human Services and a concerned individual testified in support of this bill. The Office of Hawaiian Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1206 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 339 Human Services on H.B. No. 1402

The purpose of this measure is to assess the potential benefits of social impact bonds as a means of investing in early educational programs by requiring the Executive Office on Early Learning, with the assistance of the Legislative Reference Bureau, to conduct a study on the feasibility of using social impact bonds to fund early learning programs and services in the State.

Good Beginnings Alliance and the Hawaii Association for the Education of Young Children testified in support of this measure. The Executive Office on Early Learning and the Legislative Reference Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Executive Office on Early Learning to work in consultation with the Department of Budget and Finance in conducting the feasibility study; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1402, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1402, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 340 Human Services on H.B. No. 1436

The purpose of this measure is to support the Honolulu Zero to Three Court program by appropriating \$130,000 for each year of fiscal biennium 2013-2015.

The University of Hawaii Family Support Institute and an individual testified in support of this measure. The Judiciary supported the measure with amendments. The Department of Human Services provided comments on the measure.

Your Committee has amended this measure by:

- (1) Removing the specific dollar amount of the appropriations;
- (2) Deleting the Department of Human Services as the expending agency and inserting the Judiciary;
- (3) Changing its effective date to July 1, 2050, to allow for more discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1436, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1436, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 341 Human Services on H.B. No. 661

The purpose of this measure is to protect Hawaii's children by appropriating moneys from the Emergency and Budget Reserve Fund of the State to maintain the levels of social service programs relating to child abuse and neglect.

The Legal Aid Society of Hawaii testified in support of this measure. The Department of Budget and Finance testified in opposition to this bill. The Department of Human Services provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 661, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 661, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 342 Energy & Environmental Protection/Economic Development & Business on H.B. No. 505

The purpose of this measure is to implement the Office of Planning's recommendations and appropriate funds for the development of a statewide system of greenways and trails.

The Outdoor Circle, Windward Ahapua'a Alliance, and a few concerned individuals provided testimony in support of this measure. The Office of Planning provided comments on this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to January 1, 2857, for the purpose of encouraging further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 505, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 505, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hanohano and Onishi.

SCRep. 343 Energy & Environmental Protection/Economic Development & Business on H.B. No. 338

The purpose of this measure is to authorize the issuance of special purpose revenue bonds of up to \$200,000,000, for Kaiuli Energy LLC for the planning, design, and construction of a seawater air conditioning district cooling system in and around Waikiki, Oahu.

The High Technology Development Corporation; Kaiuli Energy LLC; Hilton Worldwide; Kyo-ya Company, LLC; Makai Ocean Engineering, Inc.; Ulupono Initiative; Blue Planet Foundation; and an individual provided testimony in support of this measure. The Department of Budget and Finance; the Department of Business, Economic Development, and Tourism; and Hawaiian Electric Company provided comments on this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 338, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 338, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hanohano and Onishi.

SCRep. 344 Energy & Environmental Protection on H.B. No. 899

The purpose of this measure is to reinstate the Deposit Beverage Container Program's exemption from the Department of Accounting and General Services' central services fee.

The Department of Health, Sierra Club-Hawaii Chapter, and a few concerned individuals supported this bill.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 899, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 899, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 345 Judiciary on H.B. No. 746

The purpose of this measure is to ensure the integrity and security of Hawaii's elections. Specifically, this measure:

- (1) Specifies the purposes of the Elections Observer Program established under the Election Review Program; and
- (2) Requires the Chief Election Officer to implement and maintain the Elections Observer Program.

The League of Women Voters of Hawaii and Common Cause Hawaii supported this measure. The Office of Elections and Office of the County Clerk of the County of Kauai offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 746 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Kawakami, Lee and McDermott.

SCRep. 346 Economic Development & Business/Energy & Environmental Protection on H.B. No. 450

The purpose of this measure is to direct the Department of Business, Economic Development, and Tourism to establish hydrogen fueling station demonstration projects in each county with at least 170,000 residents funded through public and private partnerships over a five-year period.

The Hawaii Automobile Dealers Association and a few individuals provided testimony in support of this measure. Several individuals provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism; the High Technology Development Corporation; HAWAIIIGAS; and an individual provided comments on this measure.

Your Committees have amended this measure by:

- (1) Changing the preference for hydrogen produced by renewable energy electrolysis to a preference for hydrogen produced from renewable sources of energy;
- (2) Changing its effective date to January 1, 2050, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 450, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 450, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hanohano, Onishi and Fale.

SCRep. 347 Economic Development & Business on H.B. No. 635

The purpose of this measure is to expedite the approval process for broadband-related permits by requiring:

- (1) The State and the counties to approve, approve with modification, or disapprove all broadband-related permits within 60 business days of submitting a permit application and fee; and
- (2) That if no action is taken by the permitting authority within 60 business days, the permit application will be deemed as approved.

The Department of Business, Economic Development, and Tourism and Oceanic Time Warner Cable testified in support of this measure. Hawaiian Electric Company, Hawaii Electric Light Company, Maui Electric Company, and Hawaiian Telcom testified in support of this measure with amendments. The Department of Land and Natural Resources testified in opposition to this measure. The Department of Commerce and Consumer Affairs and the Public Utilities Commission provided comments.

Your Committee acknowledges and appreciates the concerns raised by the public utilities that the measure's immunity provisions relating to the permitting process only applies to the State and county. Accordingly, your Committee has amended this measure by including public utilities within the scope of the immunity. Your Committee has further amended this measure by:

- (1) Mandating that public utilities use reasonable best efforts to comply with applicable safety and engineering standards when undertaking broadband related installations, improvements, construction, or infrastructure development;
- (2) Including the placement of broadband equipment in road rights-of-way among the broadband-related permits covered under this bill;
- (3) Including language to ensure that this bill does not weaken the utility pole public safety standards established under Act 151, Session Laws of Hawaii 2011; and
- (4) Changing its effective date to January 20, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 635, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 635, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 348 Housing on H.C.R. No. 16

The purpose of this measure is to seek the prior approval of the Legislature by concurrent resolution of the sale of the leased fee interest in 643 Papahehi Place, Honolulu, Hawaii, TMK No. 1-3-8-10-35, to its current leasehold owner.

Individual Troy Abraham, Hawaii Housing Finance and Development Corporation, and the Department of Business Economic Development and Tourism, and the Office of Hawaiian Affairs supported this measure.

Your Committee has expressed concern that the value of the property should be appraised within ninety days of the transaction.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 16 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 349 Housing on H.C.R. No. 17

The purpose of this measure is to seek prior approval of the Legislature by concurrent resolution of the sale of the leased fee interest in 95-011 Kuaheheli Avenue, No. 111, Mililani, Hawaii, TMK No. 1-9-4-5-34-0011, to its concurrent leasehold owner.

The Department of Business Economic Development and Tourism, Hawaii Housing Finance and Development Corporation, and the Office of Hawaiian Affairs supported this measure.

Your Committee has expressed concern that the value of the property should be appraised within ninety days of the transaction.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 17 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 350 Housing on H.C.R. No. 36

The purpose of this measure is to request the Hawaii Public Housing Authority and the Hawaii Housing Finance and Development Corporation to create a redevelopment Master Plan and more housing units for Kukui Gardens and Mayor Wright Homes.

Individual Troy Abraham, the Hawaii Public Housing Authority supported this measure. The Department of Business Economic Development and Tourism, Hawaii Housing Finance and Development Corporation supported this measure with recommendations to amend.

Your Committee has amended this measure by:

- (1) Inserting another WHEREAS clause that defines Kukui EAH/DGI Associates, L.P. is the State's lessee and building owner/property manager for Kukui Gardens Makai and CP II Kukui Gardens, LLC is the owner of Kukui Gardens of Kukui Gardens Mauka; and
- (2) Inserting another BE IT FURTHER RESOLVED clause that requests the Hawaii Housing Finance and Development Corporation should consult with Kukui EAH/DGI Associates, L.P. (the State's lessee and building owner/property manager for Kukui Gardens Makai) and CP II Kukui Gardens, LLC (owner of Kukui Gardens Mauka) to be included in the master planning effort.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 36, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 36, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 351 Consumer Protection & Commerce on H.B. No. 999

The purpose of this bill is to effectuate its title.

H.B. No. 999 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purpose of this measure is to amend insurance code provisions relating to captive insurance companies by adopting the National Association of Insurance Commissioners' Reinsurance Guidelines for Risk Retention Groups Licensed as Captive Insurers.

Specifically, this measure prohibits risk retention groups from receiving statement credit for policies ceded through reinsurance arrangements and specifies requirements that reinsurers must meet to qualify to take credit for reinsurance.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your

Committee is in accord with the action to report out H.B. No. 999, as amended herein, and recommends that it be recommitted to the Committee on Consumer Protection & Commerce, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 999, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 352 Agriculture on H.B. No. 490

The purpose of this bill is to effectuate its title.

H.B. No. 490 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the action to report out H.B. No. 490, as amended herein, and recommends that it be recommitted to the Committee on Agriculture, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 490, H.D. 1.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 353 Agriculture on H.B. No. 491

The purpose of this bill is to effectuate its title.

H.B. No. 491 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the action to report out H.B. No. 491, as amended herein, and recommends that it be recommitted to the Committee on Agriculture, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 491, H.D. 1.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 354 Judiciary on H.B. No. 622

The purpose of this measure is to protect the freedom of the press by making permanent the limited news media privilege against the compelled disclosure of sources and unpublished information to a legislative, executive, or judicial officer or body, or to any other person who may compel testimony.

The American Civil Liberties Union of Hawaii, Hawaii Shield Law Coalition, Community Alliance on Prisons, and one concerned citizen testified in support of this measure. The Department of the Attorney General provided comments on this bill and suggested amendments.

Your Committee has amended this measure by:

- (1) Including language in the preamble to acknowledge that certain amendments suggested by the Supreme Court Standing Committee on the Rules of Evidence are incorporated in the codification of the limited news media privilege;
- (2) Expanding the exception to the privilege to include cases where there is substantial evidence that the information sought is material to the investigation, prosecution, or defense of a potential felony or serious crime involving the unlawful injury to persons or animals, or to any civil action;
- (3) Clarifying that only those who validly invoke the privilege will be shielded from fine or imprisonment; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 622, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 622, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 355 Consumer Protection & Commerce on H.B. No. 716

The purpose of this measure is to clarify that the list of disciplinary actions that the Board of Public Accountancy is currently authorized to take against licensees are cumulative in nature.

Additionally, this measure increases the maximum amount of fines that may be imposed for violations of the accountancy licensing law.

Testimony in support of the measure was received from the Regulated Industries Complaint Office of the Department of Commerce and Consumer Affairs and the Board of Public Accountancy.

Your Committee finds that this measure is necessary to clarify the legislative intent of the law regarding sanctions available to the Board of Public Accountancy. Recent state court interpretations have limited the Board to imposing only one of the listed sanctions against a licensee. Thus, under current law the Board cannot order a fine or restitution when suspending an individual's license. Your Committee further notes that the maximum amount of fees has not been revised since the 1980's.

The measure increases the maximum administrative fine that the Board of Public Accountancy may impose from \$1,000 to \$5,000. While the increase is significant, your Committee believes that substantial monetary fines would serve to deter abuses of the public trust in the area of public accountancy. Nevertheless, your Committee cautions that the maximum fine amount should be reserved only for the most egregious offenders of public accountancy laws and rules, such as the offender in a 2010 Maui case that resulted in \$15,000,000 worth of damages.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 716 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola, Carroll and Har.

SCRep. 356 Consumer Protection & Commerce on H.B. No. 19

The purpose of this measure is to provide more efficient and cost-effective processes relating to the selling, donating, and disposing of abandoned tenant property by removing the requirement that a landlord publish prior notice of the disposition of a tenant's abandoned property.

The Hawaii Association of REALTORS and an individual testified in support of this measure. The Office of Consumer Protection provided comments on this measure.

Your Committee would like to note that the measure as drafted may have unintended consequences on due process protections of former tenants, especially service members, and may negatively impact consumers interested in purchasing abandoned property. Should the Committee on Judiciary consider this measure, your Committee respectfully requests that the above-mentioned issues be considered.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 19, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 19, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 357 Consumer Protection & Commerce on H.B. No. 680

The purpose of this measure is to apply the conveyance tax to transfers of entity ownership when the transfer of entity ownership is essentially equivalent to the sale of an interest in real property.

The Trust for Public Land, Housing Hawaii, Catholic Charities Hawaii, The Nature Conservancy, and Hawaii Appleseed Center for Law and Economic Justice testified in support of this measure. The Land Use Research Foundation of Hawaii and Building Industry Association of Hawaii testified in opposition to this measure. Alexander & Baldwin, Inc. provided comments on this measure.

Your Committee has amended this measure by:

- (1) Including language that excludes from the conveyance tax the transfer of controlling interest between members of an existing entity;
- (2) Specifying that the real estate valuation shall be the lesser of the county tax assessed value or a recent qualifying appraisal;
- (3) Requiring that the value of the property transferred by way of the transfer of a controlling interest be included in the certificate for conveyance; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that the Committee on Finance should it decide to hear this bill look at:

- (1) The nexus between the conveyance tax and the value of the real property;
- (2) Possible tax credits for affordable housing and watersheds when considering this measure; and

- (3) The volatility of the conveyance tax because it is based on real estate values.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 680, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 680, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Har.

SCRep. 358 Consumer Protection & Commerce on H.B. No. 1

The purpose of this measure is to require the Director of the Executive Office on Aging to contract for the performance of an actuarial analysis for a limited, mandatory, public long term care insurance program for the State's working population.

The Executive Office on Aging, AARP, Hawaii Alliance for Retired Americans, National Association of Social Workers Hawaii Chapter, Policy Advisory Board for Elder Affairs, and several individuals testified in support of this measure. The National Association of Insurance and Financial Advisors and two individuals testified in opposition to this measure. An individual provided comments on this measure.

After careful consideration, your Committee has amended this measure by:

- (1) Requiring the Director of the Executive Office on Aging to contract for the performance of a policy analysis of a limited, mandatory, public long term care insurance program for the State's working population. This analysis shall include, among other things, not only an analysis of policy options recommended by the Long-Term Care Commission, but alternatives such as tax incentives for long term care insurance purchase and the Medicaid/long term care public private partnership plan adopted in other states;
- (2) Adding language that specifies additional information that the actuarial analysis shall include;
- (3) Adding an appropriation for the performance of the policy analysis; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 359 Consumer Protection & Commerce on H.B. No. 424

The purpose of this measure is to authorize the Governor to appoint Commissioners of Deeds to take acknowledgements, proofs of execution, or oaths in specified jurisdictions related to the conveyance of timeshare properties located within the State.

American Resort Development Association, Disney Vacation Development, Inc., and Wyndham Vacation Ownership testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding provisions that require the Commissioners of Deeds to be bonded;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 424, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 424, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 360 Consumer Protection & Commerce on H.B. No. 25

The purpose of this measure is to allow a condominium association, as a junior lienholder, to commence or continue a nonjudicial foreclosure action on a property subject to a judicial foreclosure.

Community Associations Institute and two individuals testified in support of this measure.

Your Committee has amended this measure by deleting language that specifies that the power of sale foreclosure process shall be stayed during the pendency of the circuit court foreclosure action.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 25, as amended herein, and recommends that it pass Second Reading in the form attached

hereto as H.B. No. 25, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 361 Consumer Protection & Commerce on H.B. No. 142

The purpose of this measure is to amend the fees related to portable electronics insurance licenses to align with similar licensing fees in other jurisdictions.

The Department of Commerce and Consumer affairs testified in support of the intent of this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2012, for the purpose of encouraging further discussion.

Your Committee notes that although the fee increase is substantial, it is comparable to portable electronic insurance license fees in other jurisdictions and the license fees for the limited lines motor vehicle rental company producers that operate with similar business models.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 142, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 142, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 362 Consumer Protection & Commerce on H.B. No. 143

The purpose of this measure is to clarify that a license applicant does not have a significant privacy interest in records that show relevant experience, trade examination results, or adequate bonding, and are thus subject to disclosure.

The Iron Workers Stabilization Fund and Common Cause Hawaii testified in support of this measure. The Office of Information Practices provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the prefatory phrase "Notwithstanding any law to the contrary," to section 92F-4, Hawaii Revised Statutes, relating to disclosure of government records and significant privacy interest; and
- (2) Specifying that the records that show relevant experience, trade examination results, or adequate bonding, which is subject to disclosure is limited to licensees only.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 143, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 143, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 363 Health on H.B. No. 906

The purpose of this measure is to repeal the statutory requirement for the Department of Health to conduct the Systematic Hearing and Vision Program for children as that Program has been discontinued for a number of years.

The Department of Health supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 906 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 364 Health on H.B. No. 905

The purpose of this measure is to strengthen the Department of Health's efforts to help Hawaii's families have healthy babies by:

- (1) Authorizing the Department of Health to implement point of care newborn screening;
- (2) Requiring the Department of Health to specify policies and procedures for the administration of point of care newborn screening administered by institutions caring for newborn infants;
- (3) Requiring the person in charge of each institution caring for newborn infants and the responsible physician attending the birth of a newborn, or the person assisting the birth of a newborn not attended by a physician, to ensure that every newborn infant in the person's care be tested for the diseases and conditions for point of care newborn screening specified by the Department of Health;

- (4) Requiring the Department of Health to adopt rules for the administration and execution of point of care newborn screening;
- (5) Requiring the Director of Health to submit an annual report to the Legislature identifying all expenditures made from the Newborn Metabolic Screening Special Fund for the Department's point of care newborn screening activities; and
- (6) Authorizing the use of monies in the Newborn Metabolic Screening Special Fund to be used for both metabolic screening and point of care newborn screening activities.

The Department of Health, Executive Office on Early Learning, Family Voices of Hawai'i, and March of Dimes Hawaii Chapter testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 905, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 905, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 365 Health on H.B. No. 909

The purpose of this measure is to improve statewide coordination of infant mortality planning and oversight by:

- (1) Establishing the Comprehensive Infant Mortality Reduction Program within the Department of Health to establish, administer, and maintain a statewide, comprehensive infant mortality reduction program; and
- (2) Appropriating funds to fund epidemiological and planning activities related to infant mortality, collect and analyze Hawaii-specific infant mortality data, and identify social determinants of health related to infant mortality.

The Department of Health, Executive Office on Early Learning, and the March of Dimes, Hawaii Chapter supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 909, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 909, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 366 Health on H.B. No. 894

The purpose of this measure is to support the vital statistics operations of the Department of Health by, among other things:

- (1) Establishing fees of:
 - (A) \$50 for expedited, certified copy service for birth, death, and marriage records that are already registered and accepted by the Department;
 - (B) \$25 for any correction in the items on a vital statistics certificate initiated by a registrant or a registrant's parent or representative if the registrant is a minor;
 - (C) \$10 for searches of files and records not involving the issuance of certified copies;
- (2) Specifying that the fees collected be deposited into the Vital Statistics Improvement Special Fund rather than the General Fund;
- (3) Clarifying that the fees collected shall be used to offset the administrative costs of activities related to the registration, processing, and issuance of vital records; and
- (4) Increasing fees for copies of birth, marriage, divorce, or death certificates issued by the Department of Health and stipulating where these fees are to be deposited.

The Department of Health provided testimony in support of this measure. The Hawaii Police Department provided comments.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation out of the Vital Statistics Improvement Special Fund from \$500,000 to an unspecified sum;
- (2) Changing the amounts of the newly established fees and proposed fee increases to unspecified amounts;
- (3) Changing the amount of the increase in fees for copies of birth, marriage, divorce, or death certificates to be deposited into various funds to an unspecified amount;
- (4) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 894, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 894, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 367 Health on H.B. No. 783

The purpose of this measure is to include law enforcement officers among persons having a direct and tangible interest in public health statistics records to facilitate their inspection and acquisition of such records for criminal investigations. This measure also sets forth specific identification and verification requirements that must be met by law enforcement officers requesting to inspect or acquire such documents.

The Department of the Attorney General, County of Kauai Office of the Prosecuting Attorney, County of Maui Police Department, County of Hawaii Police Department, and an individual supported this measure.

Your Committee has amended this measure by:

- (1) Limiting the disclosure of public health statistics records to law enforcement officers as evidence in criminal investigations to law enforcement officers who are employees of the State or a county; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 783, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 783, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 368 Health on H.B. No. 1439

The purpose of this measure is to assist state agencies in maintaining the accuracy of their records by requiring the Department of Health (DOH) to provide, upon the state agency's request, the list of names of all persons whose deaths have been recorded by DOH for a particular period; provided that the state agency maintains official lists of persons in the ordinary course of the agency's activities and is prohibited by federal law from sharing information from the lists.

DOH, the Office of Information Management and Technology, and the Department of the Attorney General supported this measure. The Department of Human Services supported the intent of this measure.

Your Committee notes the comments expressed by the Office of Information Management and Technology regarding the need for modernizing the Vital Statistics System for death records and establishing an interim fee structure for information-sharing, with a sunset date until such time that a preferred funding source is identified and/or federal grants become available.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1439, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1439, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 369 Health on H.B. No. 655

The purpose of this measure is to apply the protections currently afforded to emergency medical services providers, to other medical services

providers, by broadening the application of criminal assault in the second degree to include intentionally or knowingly causing bodily injury to any medical services provider who is engaged in the performance of duty.

Healthcare Association of Hawaii, Pali Momi Medical Center, and the American Organization of Nurse Executives, Hawaii Chapter supported this measure. Kaiser Permanente Hawaii supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Expanding the definition of "medical services provider" to include unlicensed medical professionals providing services in a hospital, medical clinic, or federally qualified health center; and
- (2) Changing the effective date to July 1, 2050, to facilitate continued discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 655, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 655, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 370 Health on H.B. No. 656

The purpose of this measure is to provide an exception to the application of state antitrust laws to insurers, third party administrators, health care providers and facilities, managed care plans, and government agencies cooperating and collaborating on the adoption of uniform administrative procedures for the measuring of health care quality, adoption of prior authorization procedures, and development of methodologies for drug lists for clinical efficacy based on research-based guidelines.

The Hawaii Medical Association testified in support of this measure. The Healthcare Association of Hawaii testified in support of this measure with amendments. The Hawaii Medical Service Association testified in support of the intent of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee notes that the Department of the Attorney General provided testimony concerning the measure's lack of ability to afford complete antitrust immunity pursuant to federal antitrust laws. Should the Committee on Consumer Protection and Commerce consider this measure, your Committee respectfully requests that the Attorney General's testimony be considered.

Your Committee has amended this measure by:

- (1) Including health care associations among the parties exempted from state antitrust laws under this measure;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 656, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 371 Health on H.B. No. 842

The purpose of this measure is to provide for oversight of dental service corporations by establishing:

- (1) Licensing and regulatory requirements for dental service corporations;
- (2) Financial and solvency requirements for dental service corporations; and
- (3) The regulation of dental service corporations under the Insurance Commissioner.

The Department of Commerce and Consumer Affairs and Hawaii Dental Service testified in support of this measure. The Hawaii Dental Association and several individuals testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 842, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 842, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 372 Health on H.B. No. 1482

The purpose of this measure is to establish a stroke system of care and to establish requirements for measuring, reporting, monitoring, and enforcing the stroke system of care in the State.

The Queen's Medical Center, American Heart Association/American Stroke Association, Hawaii Pacific Health, and Healthcare Association of Hawaii testified in support of this measure. The Department of Health and American Osteopathic Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the language that specifies that the Department of Health shall submit a report to the Governor and Legislature no later than twenty days prior to the convening of each regular session;
- (2) Deleting language that allows the Department of Health to enforce and penalize any person who has violated or is violating provisions of this measure;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1482, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1482, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 373 Health on H.B. No. 417

The purpose of this measure is to address the shortage of primary care providers in the State by appropriating funds for each year of the 2013-2015 fiscal biennium for the interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Hilo Medical Center.

The County of Hawaii, Hawaii County Council, University of Hawaii at Hilo College of Pharmacy, University of Hawaii at Manoa School of Nursing and Dental Hygiene, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation and its Board of Directors, The Queen's Health Systems, Hawaii Island Healthcare Alliance, Hilo Medical Foundation Board, Hawaii Medical Association, Hawaii Medical Service Association, Japanese Chamber of Commerce & Industry of Hawaii, Kona-Kohala Chamber of Commerce, Hilo Medical Center Wound Care Team, Hilo Medical Foundation Board, Healthcare Association of Hawaii, Hawaii State Center for Nursing, Hilo Medical Center Foundation, and numerous concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 417, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 417, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 374 Health/Human Services on H.B. No. 908

The purpose of this measure is to promote healthy child development and strengthen families by:

- (1) Establishing the Hawaii Home Visiting Program within the Department of Health to provide statewide hospital-based screening and home visiting services; and
- (2) Appropriating funds to establish and administer the program.

The Department of Health, Executive Office on Early Learning, Child & Family Service, Catholic Charities Hawaii, Hawaii Family Support Institute, Keiki O Ka Aina Family Learning Centers, City Mill Company, Ltd., and numerous individuals testified in support of this measure.

Your Committees have amended this measure by:

- (1) Amending the purposes and responsibilities of the Hawaii Home Visiting Program to include:
 - (A) Providing proactive, universal screening of newborns' families, instead of including proactive, universal screening of all births; and

- (B) Considering as a high priority, families at risk for poor health outcomes, child abuse, or neglect; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 908, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 908, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 375 Health/Human Services on H.B. No. 895

The purpose of this measure is to support vital statistics and marriage license operations, and various domestic violence services by:

- (1) Increasing the fees for obtaining a marriage license from \$60 to \$100;
- (2) Depositing specified portions of the amount of the increase into the:
 - (A) Spouse and Child Abuse Special Account;
 - (B) Domestic Violence and Sexual Assault Special Fund; and
 - (C) Vital Statistics Improvement Special Fund; and
- (3) Appropriating \$500,000 from the Vital Statistics Improvement Special Fund for activities related to registration, processing, and issuance of vital records.

The Department of Health, Hawaii State Coalition Against Domestic Violence, The Sex Abuse Treatment Center, and Community Safety & Support testified in support of this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 895, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 895, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 376 Health/Human Services on H.B. No. 898

The purpose of this measure is to repeal unnecessary rulemaking provisions in the Hawaii Revised Statutes by removing the Department of Health's authority to adopt rules pertaining to human habitation within parked vehicles on roadways, streets, or highways; other public property between 6:00 p.m. and 6:00 a.m.; or while the vehicle is parked on private property without proper authorization.

The Department of Health submitted testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 898 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 377 Higher Education/Economic Development & Business on H.B. No. 1419

The purpose of this measure is to support the development and expansion of the aerospace and related industries by appropriating \$1,163,000, in general funds for the Pacific International Space Center for Exploration Systems (PISCES). This measure also requires PISCES to report to the Legislature on its business plan regarding the Aerospace Technology Research and Development Park project.

Enterprise Honolulu, the District 3 Councilmember from the Hawaii County Council, and many concerned individuals supported this bill. The Department of Business, Economic Development, and Tourism and University of Hawaii at Hilo supported the intent of this measure. The Lieutenant Governor of the State of Alaska provided comments.

Your Committees have amended this measure by:

- (1) Requiring an increase in the scope of the report to the Legislature by including:
 - (A) Any progress made toward the development of a world-class space center in Hawaii;
 - (B) The development of technologies for basalt concrete composition and delivery and any effect on the level of cement and bitumen imports into the State;

- (C) The status of all working relationships with educational and research institutions, federal agencies, and local industry on the use of existing basalt resources in the State to identify, verify, and validate sustainable and in-situ concrete binders;
 - (D) Any progress made toward the development of a robotic operator training and certification program, including program location, course and curriculum development, and when the program is expected to begin accepting students;
 - (E) The level of private sector investment in aerospace and related industries, including the number and nature of any partnerships with private industry to facilitate State-based manufacturing and operations related to green energy technology; and
 - (F) The status of the memorandum of understanding with Hawaii Techworks and the East Hawaii Community Development Corporation regarding the cultivation of a skilled local workforce to support planned manufacturing operations;
- (2) Requiring PISCES to include a detailed statement of assets, liabilities, revenues, and expenses for each fiscal year ending June 30, in its required report to the Legislature; and
 - (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Higher Education and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1419, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1419, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Brower, Cachola and Hanohano.

SCRep. 378 Education on H.B. No. 60

The purpose of this measure is to provide additional guidance to the Department of Education by amending the definition of student instructional hours for elementary and secondary schools to include specified activities and all other activities to which a related general learner outcome is attached.

The Department of Education, Hawaii Association of Independent Schools, and Imua Alliance supported this bill. The Hui for Excellence in Education supported this measure with amendments. The Hawaii State Teachers Association opposed this bill. The Hawaii Educational Policy Center provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the specified student instructional hour requirements are minimum requirements; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 60, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 60, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 379 Education on H.B. No. 1131

The purpose of this measure is to ensure the overall health of Hawaii's students by requiring a child to have a dental examination prior to initial entrance in any school in the State.

Several concerned individuals supported this bill. The State Council on Developmental Disabilities and Hawaii Dental Association supported the intent of this measure. The Department of Education opposed this bill. The Department of Health provided comments.

Your Committee has amended this measure by:

- (1) Permitting the licensed primary care provider of a child with developmental disabilities to annually determine whether a dental examination is necessary;
- (2) Providing that should a child with a developmental disability not complete a dental examination deemed necessary by the child's licensed primary care provider within three months of the date of school entry, the examination must be completed within ninety, rather than thirty, days or the child will not be admitted to school; and
- (3) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1131, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1131, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 380 Education/Health on H.B. No. 913

The purpose of this measure is to encourage healthy choices and behaviors on the part of Hawaii's children by establishing early learning wellness guidelines for all programs and services of the State's Early Learning System.

The Executive Office on Early Learning, Department of Health, Department of Education, Hawai'i Pacific Health, the Community Children's Councils, Hawaii Association of Independent Schools, Good Beginnings Alliance, Special Education Advisory Council, and a concerned individual supported this measure. The Department of Human Services provided comments.

Your Committees have amended this measure by:

- (1) Providing that the requirement to establish the early learning wellness guidelines will not be codified;
- (2) Changing the entities with whom the Department of Health will partner to establish the wellness guidelines to specify the Executive Office on Early Learning, rather than the Early Learning Council, and to include other stakeholders expressing an interest;
- (3) Deleting language specifying agencies and entities, other than partner agencies, to be involved in the development of the wellness guidelines;
- (4) Deleting the requirement that the Department of Health distribute copies of the wellness guidelines to specified individuals and agencies;
- (5) Narrowing the purpose of the appropriation to the funding of meetings for the development of the wellness guidelines; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 913, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 913, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 381 Transportation/Energy & Environmental Protection on H.B. No. 760

The purpose of this measure is to provide the opportunity for persons renting cars in Hawaii to make a voluntary contribution toward the protection of Hawaii's unique environment by:

- (1) Requiring lessors of rental motor vehicles to include an option to the lessee in the motor vehicle agreement to contribute a sum to the Department of Land and Natural Resources for the preservation of the environment; and
- (2) Depositing the contributions equally into the Natural Area Reserve Fund and the Land Conservation Fund.

The Department of Land and Natural Resources; the Coordinating Group on Alien Pest Species; Historic Hawai'i Foundation; The Nature Conservancy; Sierra Club, Hawai'i Chapter; and two concerned individuals supported this measure. EAN Holdings, LLC opposed this measure.

Your Committees have amended this measure by:

- (1) Specifying that the language of the option shall clearly state that the option is voluntary and does not affect the rental agreement;
- (2) Adding a three-year sunset provision;
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 760, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 760, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Cullen, Hanohano and Hashem.

SCRep. 382 Housing on H.B. No. 562

The purpose of this measure is to divert food and green waste from landfills to composting and energy production by:

- (1) Authorizing the Hawaii Public Housing Authority (HPHA) to make and execute contracts with private businesses to remove "food waste" and "green waste" as defined in section 342G-1, Hawaii Revised Statutes, from public housing projects; and
- (2) Requiring HPHA to submit a report to the Legislature, no later than 20 days prior to the convening of the 2014 Regular Session, on its progress in contracting with private businesses to remove food waste and green waste from public housing projects.

HPHA testified in support of this measure with amendments. Windward Ahupua'a Alliance commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that HPHA submit a report to the Legislature on HPHA's progress in contracting with private businesses to remove food waste and green waste from public housing projects; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 562, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 562, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 383 Labor & Public Employment on H.B. No. 697

The purpose of this measure is to appropriate funds for Hawaii Employer-Union Health Benefits Trust Fund costs and other cost adjustments for public officers and employees in legislative service agencies for fiscal year 2013-2014.

Your Committee received testimony in support of this measure from the Office of the Ombudsman, the Office of the Auditor, the Hawaii State Ethics Commission, and the Legislative Reference Bureau.

Your Committee finds that the legislative service agencies are excluded from collective bargaining but that compensation and benefits for their officers and employees is tied to the collective bargaining agreements between the public employer and the exclusive representative of applicable collective bargaining units. Your Committee further finds that this measure should continue to move through the legislative process in the event that the public employer and the exclusive representative of the applicable collective bargaining units come to an agreement over cost items during the legislative session.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 697 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 384 Labor & Public Employment on H.B. No. 805

The purpose of this measure is to amend the Employees' Retirement System laws to comply with Internal Revenue Code requirements and vesting rules in order to maintain the system's status as a tax-qualified retirement plan.

The Department of Budget and Finance and the Administrator of the Employees' Retirement System testified in support of the measure.

Your Committee finds that the Employees' Retirement System is intended to be a tax-qualified retirement plan under section 401(a) of the Internal Revenue Code of 1986, as amended. In 2009, the Employees' Retirement System applied to the Internal Revenue Service for a determination that the System meets the federal tax qualification requirements that are applicable to pension plans sponsored by state and local governments. The Employees' Retirement System received a favorable determination letter, conditioned on amendments to chapter 88, Hawaii Revised Statutes, to meet certain vesting rules and comply with final regulations under section 415 of the Internal Revenue Code. Your Committee finds that this measure will allow the Employees' Retirement System to maintain its federal tax qualification by incorporating the amendments approved by the Internal Revenue Service as part of the determination letter process.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 805 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 385 Labor & Public Employment on H.B. No. 807

The purpose of this measure is to restore parity, with respect to age and service requirements for retirement, between members of the Employees' Retirement System prior to July 1, 2012, who then became judges after June 30, 2012, and other contributory plan members who also were members of the system prior to July 1, 2012.

Testimony in support of the measure was submitted by the Judiciary, Department of Budget and Finance, and the Employees' Retirement System Board of Trustees.

Your Committee finds that prior to the enactment of Act 163, Session Laws of Hawaii 2011, the retirement age and service requirements for judges were the same as for others who became contributory plan members of the Employees' Retirement System at the same time. However, Act 163 enacted more stringent requirements for individuals who became members after June 30, 2012, and for current members who became judges after June 30, 2012. As a result, persons who were already members of the system and thereafter became judges after June 30, 2012, are subject to more stringent retirement requirements than other contributory plan members who became members of the system at the same time. There is no basis for this disparate treatment and the disparity serves as a disincentive for current Employees' Retirement System members who wish to become judges. This measure would eliminate that disparity and the resulting disincentive.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 807 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Johanson.

SCRep. 386 Labor & Public Employment on H.B. No. 743

The purpose of this measure is to allow parents adequate time to attend their children's parent-teacher conferences and academic calendared activities by:

- (1) Permitting public employees limited paid leave for academic calendared activities;
- (2) Increasing the hours of paid leave for individual education-related activities;
- (3) Increasing the number of paid leaves for education-related activities permitted per calendar year; and
- (4) Defining "academic calendared activity."

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and the United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure. The Department of Human Resources Development opposed this measure.

Your Committee has amended this measure by:

- (1) Expanding the definition of "academic calendared activity" to include school-wide events directly related to a child's cultural or social development; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 743, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 743, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 387 Labor & Public Employment on H.B. No. 808

The purpose of this measure is to preserve the tax-qualified status of the Employees' Retirement System by providing that civil union partners are not entitled to spousal rights under the Employees' Retirement System in instances where application of those spousal rights to civil union partners would conflict with the Internal Revenue Code.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Employees' Retirement System.

Your Committee finds that amending spousal rights for civil union partners in chapter 88, Hawaii Revised Statutes, is necessary to preserve the tax-qualified status of the Employees' Retirement System under section 401(a) of the Internal Revenue Code. If the Employees' Retirement System were to lose its tax-exempt status, members' contributions would be taxed at the time of contribution and at the time of vesting, instead of only at the time that a member receives retirement benefits. Your Committee notes that this measure would not change the rights of civil union partners that are accorded to spouses under the Employees' Retirement System that are not restricted by the Internal Revenue Code. Your Committee further finds that this measure is a compliance measure necessary to preserve the viability of the Employees' Retirement System, by protecting its tax-qualified status.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 808 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 388 Energy & Environmental Protection on H.B. No. 80

The purpose of this measure is to protect the environment against potentially harmful effects of the State's pursuit of increased renewable energy sources by allowing the Public Utilities Commission to give preference to certain renewable energy resources when establishing renewable portfolio standards.

The Ocean Renewable Energy Coalition, Oceanlinx Limited, Hawaii Renewable Energy Alliance, and a few individuals provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism; Public Utilities Commission; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Life of the Land; and Blue Planet Foundation provided comments on this measure.

Your Committee has amended this measure by requiring that the Public Utilities Commission submit a report to the Legislature prior to the convening of the 2014 Regular Session that examines:

- (1) The potential for giving preference to certain renewable energy resources with specified qualities when establishing renewable portfolio standards, including its criteria preferences and achieving reduced system volatility when considering different energy technologies;
- (2) A clean energy standard that provides an energy scale that provides renewable energy credits to energy producers based upon lifecycle greenhouse gas emissions for each type of energy source including non-renewable energy where the energy source emitting the most greenhouse gases is set at zero;
- (3) The costs and benefits of implementing a clean energy standard;
- (4) The costs and benefits of replacing the renewable portfolio standard with a clean energy standard; and
- (5) Goals for integrated resource planning for the year 2030 and beyond.

Your Committee notes that given the potential for future energy sources, such as wave energy, to quickly advance Hawaii towards its renewable energy goals, it is important that we begin to look further into the future to continue the State's efforts to become sustainable and self-sufficient.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 80, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 80, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 389 Consumer Protection & Commerce/Judiciary on H.B. No. 1417

The purpose of this measure is to assist homeowners who are at risk of foreclosure by expanding the availability of mandatory mortgage foreclosure dispute resolution.

Specifically, this measure:

- (1) Requires mortgagees, at the mortgagor's election, to participate in mediation to avoid foreclosure or to mitigate damages from foreclosure prior to filing a judicial foreclosure action for property that has been the mortgagor's primary residence for a specified period; and
- (2) Extends the new dispute resolution requirement to include judicial foreclosure actions filed prior to the effective date of this measure and pending an initial court hearing.

The Office of Consumer Protection and three individuals testified in support of this measure. The Hawaii Bankers Association, Hawaii Credit Union League, and Hawaii Financial Services Association testified in opposition to this measure.

Your Committees find that Act 48, Session Laws of Hawaii 2011, among other things established the Mortgage Foreclosure Dispute Resolution Program to require mortgagees, at the mortgagor's election and prior to conducting a public sale of the subject property, to participate in dispute resolution to avoid foreclosure or mitigate damages from foreclosure. Currently, the dispute resolution program applies only to nonjudicial foreclosures of property that has been the mortgagor's primary residence for a certain minimum period. To assist more homeowners, this measure expands the application of the dispute resolution program to include the same types of mortgagors and residential property that currently qualify for the program, albeit for judicial foreclosures, including those filed prior to the effective date of this measure and awaiting an initial court hearing.

Your Committees have amended this measure by:

- (1) Changing the effective date to July 1, 2012, to encourage further discussion on this measure; and
- (2) Making technical housekeeping amendments to Section 1 of the measure to correct references to "mortgagors" that were intended to refer to "mortgagees."

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1417, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1417, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Har, Ito, Wooley and Thielen.

SCRep. 390 Consumer Protection & Commerce on H.B. No. 812

The purpose of this measure is to provide the Public Utilities Commission with the flexibility to hire personnel necessary to meet changing regulatory needs.

The Public Utilities Commission and the Consumer Advocate testified in support of this measure.

Your Committee finds that the specific staff position descriptions for the Public Utilities Commission were established by section 269-3, Hawaii Revised Statutes, and Act 177, Session Laws of Hawaii 2007, in response to a 2004 legislative audit and a subsequent study by the Hawaii Energy Policy Forum. Since the passage of those measures, however, the State has adopted progressive energy policies that may require the agency to hire key personnel that were not contemplated by the earlier legislation. Your Committee finds that this measure will provide the Public Utilities Commission with the

flexibility to adjust its staffing as necessary to meet future regulatory challenges.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 812 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Ito, Lee and Thielen.

SCRep. 391 Judiciary on H.B. No. 220

The purpose of this measure is to:

- (1) Require the Office of Hawaiian Affairs to establish, design, and administer a training course relating to native Hawaiian and Hawaiian issues;
- (2) Mandate that specified board, commission, and council members attend this training course; and
- (3) Allow other interested members of a state council, board, or commission, or state or county officers, representatives, or employees to request to enroll in this training course.

The Office of Hawaiian Affairs, Department of Land and Natural Resources, Department of Hawaiian Home Lands, Association of Hawaiian Civic Clubs, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and a concerned individual testified in support of this measure. The Center for Hawaiian Sovereignty Studies testified in opposition to this bill. The Department of the Attorney General and Land Use Research Foundation of Hawaii provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 220, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 220, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 392 Judiciary on H.B. No. 427

The purpose of this measure is to allow electronic copies, as an alternative to printed copies, of a bill to be made available for members of the house in which the bill is being voted upon for third or final reading in fulfillment of the forty-eight hour availability requirement.

Two concerned individuals testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 427, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 427, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Kawakami, Lee and McDermott.

SCRep. 393 Judiciary on H.B. No. 775

The purpose of this measure is to appropriate funds to satisfy claims against the State or its officers or employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

The Department of the Attorney General submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (I) Appropriating funds for three additional claims against the State of Hawaii resolved subsequent to this bill's introduction as follows:
 - (A) A settlement amount of \$30,000.00 in the case of Macy-McCrea v. State of Hawaii, et al., Civil No. 10-1-0466-03, First Circuit, to be paid out of the general fund;
 - (B) A settlement amount of \$23,396.66 in the case of Manigo-Brown v. State of Hawaii, et al., Civil No. 11-1-1901-08, First Circuit, to be paid out of the general fund; and
 - (C) A settlement amount of \$3,300,000.00 in the case of Mark H., et al. v. Hamamoto, et al., Civil No. 00-00282 LEK-RLP, USDC, to be paid out of the general fund,

bringing the total appropriation amount to \$4,851,267.58 for claims against the state; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 775, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 775, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Lee.

SCRep. 394 Higher Education on H.B. No. 463

The purpose of this measure is to increase access to university courses by requiring the Chancellor of the University of Hawaii at Manoa to offer classes in such a way as to allow students to complete an undergraduate or graduate degree program entirely online by January 1, 2015.

The University of Hawaii at Manoa supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 463, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 463, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Ohno, Takumi and Fale.

SCRep. 395 Higher Education on H.B. No. 1070

The purpose of this measure is to ensure that members of the University of Hawaii Board of Regents (Regents) are effectively prepared to carry out their duties by requiring them to complete mandatory annual training on Board of Regents policies and procedures and Hawaii's Sunshine and open records laws. This measure also requires the Governor to immediately remove any Regent who fails to meet annual training requirements more than once during the Regent's term.

The Office of Information Practices and Hawaii Educational Policy Center provided comments.

Your Committee has amended this bill by:

- (1) Clarifying that the Regents are to be trained only on Hawaii's Sunshine Law, and not the entirety of chapter 92, Hawaii Revised Statutes;
- (2) Requiring the University General Counsel to conduct the training on Board of Regents policies and procedures;
- (3) Changing its effective date to July 1, 2013; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1070, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1070, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 396 Economic Development & Business on H.B. No. 799

The purpose of this measure is to improve Hawaii's economy and continue to build the State's local film, television, and digital media industries and encourage their growth by providing enhanced incentives to attract more film, television, and digital media productions to Hawaii. Among other things, this measure amends the Motion Picture, Digital Media, and Film Production Tax Credit by:

- (1) Adding television to its name;
- (2) Leaving unspecified the total amount of tax credits allowed per qualified production;
- (3) Repealing the Internet-only distribution exclusion for advertising contained in the definition of "commercial";
- (4) Clarifying the definition of "qualified production costs" to exclude state and county facility and location fees that are not subject to Hawaii general excise tax or State income tax;
- (5) Extending its sunset date to January 1, 2025; and

- (6) Requiring the Department of Business, Economic Development, and Tourism to submit an annual report to the Legislature, beginning with the 2014 Regular Session, containing a cost-benefit analysis of the entire Motion Picture, Television, Digital Media, and Film Production Income Tax Credit.

The Department of Business, Economic Development, and Tourism, and an individual provided testimony in support of this measure. The Department of Taxation and the Tax Foundation of Hawaii provided comments on this measure.

Your Committee amended this measure by:

- (1) Retaining the name of the Motion Picture, Digital Media, and Film Production Income Tax Credit rather than adding a reference to television;
- (2) Retaining the \$8,000,000 cap on the total amount of tax credits allowed per qualified production under the Motion Picture, Digital Media, and Film Production Income Tax Credit;
- (3) Retaining the existing definition of "commercial," rather than adding references to internet-only distribution;
- (4) Excluding "news," rather than "daily news," from the definition of "qualified production"; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 799, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 799, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 397 Economic Development & Business on H.B. No. 559

The purpose of this measure is to encourage innovation and the development of research and technology in Hawaii by extending the tax credit for research activities until December 31, 2017, and clarifying the method of calculating the tax credit by:

- (1) Amending the definition of "qualified high technology business";
- (2) Repealing existing certification requirements and establishing new reporting requirements for qualified high technology businesses that wish to claim the tax credit; and
- (3) Requiring the Department of Business, Economic Development, and Tourism to conduct studies to measure the effectiveness of the tax credit and submit reports to the legislature.

Oceanit; Puko'a Scientific; Navatek, Ltd.; and a concerned individual testified in support of this measure. The Department of Taxation testified in opposition. The Hawaii Strategic Development Corporation, Tax Foundation of Hawaii, and High Technology Development Corporation offered comments.

Your Committee has amended this measure by providing a new definition for "qualified high technology business" and extending the tax credit for research activities until 2016. Other technical, nonsubstantive changes were made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 559, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 559, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Cachola.

SCRep. 398 Water & Land on H.B. No. 1016

The purpose of this measure is to facilitate the transfer of development rights by:

- (1) Authorizing the Land Use Commission to establish a transfer of development rights program;
- (2) Specifying certain requirements for the transfer of development rights;
- (3) Allowing the creation of a development rights bank in which development rights and other assets may be retained or sold;
- (4) Establishing the conservation stewardship fund into which shall be deposited appropriations by the Legislature, appropriations from the environmental response revolving fund, and other monies received by the Land Use Commission; and
- (5) Appropriating funds to carry out the purposes of this measure.

The Department of Health, the City and County of Honolulu Department of Planning and Permitting, and the Conservation Council for Hawaii provided testimony in opposition to this measure. The Land Use Commission, the Department of Budget and Finance, and the Department of Education provided comments on this measure.

Your Committee has amended this measure by:

- (1) Placing the transfer of development rights program in the Office of Planning instead of the Land Use Commission;
- (2) Changing its effective date to July 1, 2020, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee notes that this measure has been referred next to your Committee on Finance which will provide the opportunity for further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1016, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1016, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 399 Public Safety on H.B. No. 950

The purpose of this measure is to require certain inmates on furlough who are employed to support their dependent children, to provide restitution for victims of crime, and satisfy their obligations to the courts and the corrections system. Specifically, this measure establishes priorities for the allocation of income and specifies distribution amounts for each priority item.

The Department of Public Safety supported this measure. The Department of the Attorney General supported the intent of this measure.

Your Committee notes the concerns expressed by the Department of the Attorney General that specifying a child support withholding amount jeopardizes both the State's ability to comply with the requirements of federal child support law and the effective operations of the Child Support Enforcement Agency. Your Committee respectfully requests that any further consideration of this measure take into account the Attorney General's concerns.

Your Committee has amended this measure by:

- (1) Requiring that an employed inmate on furlough pay an unspecified percentage of net monthly earnings, or the amount ordered, whichever is less, for child support; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 950, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 950, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 400 Public Safety on H.B. No. 1114

The purpose of this measure is to allocate public safety resources effectively and reduce the financial burden on taxpayers by authorizing Federal Protective Service (FPS) officers to arrest a person without a warrant and under specified conditions for an offense under the Hawaii Penal Code.

The FPS of the United States Department of Homeland Security supported this measure. The American Civil Liberties Union of Hawaii and a concerned individual opposed this measure.

Your Committee notes the testimony of the Area Commander for FPS, Region 9, Pacific Command, provides further insight as to the purpose of this measure.

The FPS is the uniformed and investigative law enforcement component of the Department of Homeland Security. The mission of FPS is to provide police services to federally owned, leased or occupied properties, and investigate crimes that affect those properties and personnel, pursuant to 40 U.S.C. section 1315 (Law enforcement authority of the Secretary of Homeland Security for protection of public property). There are 55 such properties in the State, 25 of which are on Oahu, with the most notable facility being the Prince Jonah Kuhio Kalaniana'ole Federal Building (Federal Building).

Your Committee finds that nearly all of the properties serviced by FPS are proprietary federal jurisdictions, which are excluded from 18 U.S.C. section 13 (Laws of State adopted for areas within Federal jurisdiction), and violations of state statutes at these properties are not enforceable in federal courts.

Your Committee further finds that FPS officers working at these facilities routinely encounter situations which require some police action that may or may not constitute a federal crime. For example, FPS officers currently have no authority to make an arrest for simple battery if two persons engage in a fight at one of these facilities because no such federal statute exists. Also, if a moving van is illegally parked in front of the Federal Building, FPS officers currently have no authority to issue a citation or tow the vehicle.

Your Committee further finds that when a state violation occurs on federal property, FPS is currently required to devote resources to respond and investigate the incident, and then request that the Honolulu Police Department also devote resources to respond, investigate, and assume responsibility for the incident. The Area Commander explained this duplicity is a drain to both resources and taxpayer dollars.

The Committee finds that FPS was originally included in section 803-16, Hawaii Revised Statutes (HRS), which provides certain federal law enforcement officers powers of arrest, but in 2010 FPS transferred to another component of the Department of Homeland Security, which is not specified under section 803-16, HRS, which has, in part, necessitated the statutory change contained in this bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1114, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1114, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 401 Public Safety/Transportation on H.B. No. 1308

The purpose of this measure is to expand the definition of "emergency vehicle" to include State civil defense vehicles and county emergency management vehicles under the so-called "move over" law, which requires a driver that is approaching an emergency vehicle that is stopped for an emergency or official duty to slow down and to make a lane change into the adjacent lane if it is necessary and safe to do so.

The Department of Transportation, Department of Public Safety, Department of Defense, Department of the Prosecuting Attorney of the City and County of Honolulu, Civil Defense Advisory Commission, Citizen's Advisory Commission on Civil Defense, County of Hawaii Police Department, Honolulu Police Department, Civil Defense Agency of the County of Hawaii, Mothers Against Drunk Driving Hawaii, Telecommunication Utility Working Group, Department of Emergency Management of the City and County of Honolulu, and several concerned individuals supported this measure.

Your Committees have amended this measure by:

- (1) Expanding the definition of "emergency vehicle" to include state law enforcement vehicles;
- (2) Adding the charge of manslaughter as a possible offense when a driver does not move over and causes the death of an emergency responder; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Public Safety and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1308, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1308, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hashem, Nakashima and Yamashita.

SCRep. 402 Public Safety/Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 850

The purpose of this measure is to provide a comprehensive program to protect Hawaii's citizens, infrastructure, and government from terrorism and threat of attack by establishing an Office of Homeland Security within the State Department of Defense, to be headed by the Adjutant General, that will be responsible for tracking and helping to protect critical infrastructure, coordinating homeland defense and homeland security plans with all entities in the State, and soliciting and managing funds.

The Department of Public Safety, State Department of Defense, Vice Director of State Civil Defense, County of Hawaii Civil Defense Agency, Honolulu Police Department, and Department of Emergency Management of the City and County of Honolulu supported this measure. Several concerned individuals opposed this measure. The Department of Human Resources Development offered comments on this measure.

Your Committees have amended this measure by:

- (1) Clarifying that the Director of Homeland Security shall appoint, set the salary for, and may remove an Administrator of Homeland Security, who shall be exempt from Chapter 76, Hawaii Revised Statutes;
- (2) Changing its effective date to July 1, 2050, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Public Safety and Veterans, Military, & International Affairs, & Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 850, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 850, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 403 Public Safety/Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1136

The purpose of this measure is to promote public safety and to ensure emergency notification for emergency situations and natural disasters in Hawaii by appropriating funds to the State Department of Defense for the Civil Air Patrol.

The State Department of Defense supported this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the records of votes of the members of your Committees on Public Safety and Veterans, Military, & International Affairs, & Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1136, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1136, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 404 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1059

The purpose of this measure is to protect the rights of non-citizens and allow a non-citizen defendant the opportunity to make a knowing, voluntary and intelligent plea of guilty or no contest. Specifically, this measure requires the court to advise criminal defendants of the effects of a guilty or no contest plea on their alien status in the United States.

The Department of the Prosecuting Attorney of the County of Maui, Office of the Prosecuting Attorney of the County of Kauai, and Office of the Prosecuting Attorney of the County of Hawaii testified in support of this bill. The Department of the Attorney General testified in support of the intent of this measure.

Your Committee has amended this bill by:

- (1) Specifying that the advisement of the effects of a guilty or no contest plea on a defendant's alien status in the United States be given prior to the defendant's entry of a guilty or no contest plea rather than prior to acceptance of the plea by the court; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1059, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1059, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 405 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 459

The purpose of this measure is to promote and preserve culture and the arts in Hawaii. Specifically, this bill appropriates funds to the Department of Accounting and General Services to:

- (1) Alleviate the impact of previous reductions in general fund appropriations to the State Foundation on Culture and the Arts;
- (2) Include seventeen Title I schools in the Artists in the Schools Program; and
- (3) Continue educational efforts in cultural preservation through a partnership with the Edith Kanakaole Foundation, University of Hawaii Biographical Research Center, Public Safety Hawaii, and the Maui Arts and Cultural Center.

The State Foundation on Culture and the Arts and a concerned individual testified in support of this bill.

Your Committee has amended this measure by:

- (1) Inserting purpose language identifying the need for culture and the arts in Hawaii and the loss of funding experienced by the State Foundation on Culture and the Arts;
- (2) Replacing the amounts of all appropriations with unspecified sums;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 459, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 459, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 406 Consumer Protection & Commerce on H.R. No. 6

The purpose of this measure is to encourage the President of the United States and the United States Congress to re-state that the federal Controlled Substances Act is not intended to prohibit industrial hemp production.

Your Committee received testimony in support of this measure from the University of Hawaii at Manoa, College of Tropical Agriculture and Human Resources, Department of Molecular Biosciences and Bioengineering; American Civil Liberties Union; Alexander & Baldwin, Inc.; Vote Hemp; and four concerned individuals.

Your Committee finds that industrial hemp is genetically distinct from marijuana and does not produce a drug effect when smoked or ingested. The federal War on Drugs policy has unnecessarily placed criminal penalties on growing industrial hemp for clothing, food, construction materials, and other non-medicinal purposes. Legalizing the production of industrial hemp would provide economic opportunities for the farming, research, manufacturing, and construction industries while encouraging sustainable use of agricultural lands.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 6 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll, Har and Ito.

SCRep. 407 Consumer Protection & Commerce on H.C.R. No. 3

The purpose of this measure is to encourage the President of the United States and the United States Congress to re-state that the federal Controlled Substances Act is not intended to prohibit industrial hemp production.

Your Committee received testimony in support of this measure from the University of Hawaii at Manoa, College of Tropical Agriculture and Human Resources, Department of Molecular Biosciences and Bioengineering; American Civil Liberties Union; Alexander & Baldwin, Inc.; Vote Hemp; and four concerned individuals.

Your Committee finds that industrial hemp is genetically distinct from marijuana and does not produce a drug effect when smoked or ingested. The federal War on Drugs policy has unnecessarily placed criminal penalties on growing industrial hemp for clothing, food, construction materials, and other non-medicinal purposes. Legalizing the production of industrial hemp would provide economic opportunities for the farming, research, manufacturing, and construction industries while encouraging sustainable use of agricultural lands.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 3 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll, Har and Ito.

SCRep. 408 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 160

The purpose of this measure is to remove the uncertainty of burial provisions for veterans and their families. Specifically, this measure:

- (1) Makes permanent the residency requirement for the burial of members of the United States Armed Forces and their dependents in veterans cemeteries in Hawaii; and
- (2) Ensures that the criteria for the burial of members of the United States Armed Forces and their dependents in veterans cemeteries in Hawaii conform with the United States Department of Veterans Affairs' eligibility requirements for burial in a national or state cemetery.

The State Office of Veterans Services, Oahu Veterans Council, and Military Officers Association of America, Hawaii Chapter testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 160 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 409 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1412

The purpose of this measure is to promote and preserve the Hawaiian culture by requiring the Department of Land and Natural Resources to accommodate mooring of native Hawaiian canoes owned by nonprofit entities and used for educational purposes in small boat harbors, as practicable.

The Department of Land and Natural Resources and an individual provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies opposed this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1412 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Lee and Thielen.

SCRep. 410 Judiciary on H.B. No. 88

The purpose of this measure is to clarify the construction of Hawaii law by repealing the provision establishing that the terms "or" and "and" each have the meaning of the other.

The Hawaii Insurers Council and two concerned individuals testified in opposition to this measure.

Your Committee has amended this measure by establishing that the dictionary definitions of the terms "or" and "and" will apply, except that if the context requires the term "or" may be construed to mean "and" or "or".

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 88, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 88, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 411 Judiciary on H.B. No. 189

The purpose of this measure is to promote gender equality by requiring the Governor or other appointing authorities to strive for gender equity when appointing members of state boards and commissions, and give priority to achieving the goal of general equity when appointing individuals to vacancies, at-large positions, and alternative positions.

The Governor, Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, Hawaii Civil Rights Commission, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, and several individuals testified in support of this measure.

Your Committee finds that gender equity in appointments is a vital part of ensuring that women have an equal voice in important public policy discussions and decisions. In recommending the passage of this measure, your Committee wishes to highlight that this bill is not intended to bind the selection process of the Governor or other appointing agencies by mandating certain percentages or quotas. Instead, this is intended as a policy statement to make both the Governor and appointing authorities aware of and give consideration to the gender imbalance that persists in such appointments when making them.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 189 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Wooley.

SCRep. 412 Water & Land/Finance on H.B. No. 1133

The purpose of this measure is to repeal chapter 171C, Hawaii Revised Statutes, relating to the Public Land Development Corporation.

In addition, the measure also transfers assets made, used, acquired, or held by the Public Land Development Corporation to the Department of Land and Natural Resources.

The Office of Hawaiian Affairs, Department of Planning of the County of Hawaii, Kauai County Council, Chamber of Commerce of Hawaii, League of Women Voters, Sacred Earth Assembly, Conservation Council for Hawai'i, Aikea Hawaii, IMU Alliance, Malu 'Aina, Unite Here Local 5 Hawaii, Hawaii's Thousand Friends, Advocates for Consumer Rights, Country Talk Story, Community Alliance on Prisons, KAHEA: The Hawaiian-Environmental Alliance, and numerous individuals testified in support of the measure. Indigenous Consultants and seven individuals testified in opposition to the measure. The Department of Land and Natural Resources and six individuals submitted comments.

Your Committees find that the establishment of the Public Land Development Corporation by Act 55, Session Laws of Hawaii 2011, has raised significant concerns within the community. The Corporation's authority to bypass county plans and subdivision and zoning codes, without being statutorily required to hold public hearings to solicit input from affected residents, has led many to question the wisdom and validity of the Corporation's planning and development process. Although the original intent of Act 55, to improve economic and recreational opportunities for public lands, was a laudable goal, your Committees believe that chapter 171C, Hawaii Revised Statutes, is overly broad and grants excessive powers to the Corporation without sufficient safeguards. Your Committees further find that at this time, it is in the public's best interest to repeal the Public Land Development Corporation.

As affirmed by the records of votes of the members of your Committees on Water & Land and Finance that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1133 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Lee.

SCRep. 413 Judiciary on H.B. No. 197

The purpose of this measure is to appropriate funds for the operating and capital improvement costs of the Judiciary for the fiscal biennium from July 1, 2013, through June 30, 2015.

The Judiciary, Office of the Prosecuting Attorney of the County of Hawaii, Legal Aid Society of Hawaii, Crime Victim Compensation Commission, Hawaii State Coalition Against Domestic Violence, American Association of University Women-Windward, and several concerned individuals testified in support of the bill.

The Hawaii State Bar Association testified in support of the capital improvement projects, the adjustment of judicial salaries, and the increase of the Indigent Legal Assistance Fund (ILAF) ceiling amount. The Legal Aid Society of Hawaii, Mediation Center of the Pacific, Volunteer Legal Services Hawaii, Domestic Violence Action Center, American Civil Liberties Union of Hawaii, Hawaii Justice Foundation, Hawaii Disability Rights Center, and two concerned individuals testified in support of the increase of the ILAF ceiling amount.

The Mayor of the County of Hawaii, Office of the Prosecuting Attorney of the County of Hawaii, West Hawaii Bar Association, and numerous

concerned individuals testified in support of the capital improvement project for the Kona Judiciary Complex. A concerned individual offered comments.

The Hawaii State Coalition Against Domestic Violence, Child & Family Service, Domestic Violence Action Center, Hawaii Women's Coalition, and several concerned individuals testified in support of the restoration of funding for various social services.

Your Committee considered the Judiciary's budget request for program appropriations and capital improvement projects.

Accordingly, your Committee has amended this measure by:

- (1) Increasing appropriations to the First Circuit (JUD 310) for the Purchase of Service Funds for Juvenile and Adult Client Services, by \$107,234.40 for each fiscal year;
- (2) Including additional unspecified appropriation amounts for (JUD 601) Capital Improvement Project, specifically the Kona Judiciary Complex, for the design and construction of an adjacent correctional facility; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 197, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 197, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Lee.

SCRep. 414 Judiciary on H.B. No. 410

The purpose of this measure is to create an exemption from service as a juror for breastfeeding mothers.

The Judiciary; Hawaii State Commission on the Status of Women; Breastfeeding Hawaii; The American Congress of Obstetricians and Gynecologists; American Academy of Pediatrics, Hawaii; Good Beginnings Alliance; Hawaii Women's Coalition; and Planned Parenthood of Hawaii offered testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Limiting the exemption from jury duty for a breastfeeding mother to two years or the time the mother stops breastfeeding, whichever occurs first;
- (2) Specifying that a breastfeeding mother may claim the exemption for each child that the mother breastfeeds; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 410, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 410, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Kawakami, Lee and McDermott.

SCRep. 415 Judiciary on H.B. No. 109

The purpose of this measure is ensure the preservation of the Hawaiian language by requiring that all newly created, replaced, or reprinted state and county documents, letterheads, symbols, and emblems that include Hawaiian words shall contain accurate, appropriate, and authentic Hawaiian names and words, and establishing references for accurate, appropriate, and authentic Hawaiian names and words.

The Office of Hawaiian Affairs and several concerned individuals supported this measure. The Department of the Attorney General and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Expanding the list of acceptable references for establishing accurate, appropriate, and authentic Hawaiian names and words, to include any accepted Hawaiian-language dictionary, including one that takes into account the unique spelling found in the Ni'ihau dialect; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 109, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 109, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 416 Economic Development & Business on H.B. No. 1123

The purpose of this measure is to assist small businesses producing beer by reducing the gallonage tax on the first 60,000 barrels of beer brewed or produced during a taxable year by a small brewery or brewpub in the State to \$0.23 per gallon of beer.

The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by changing the application date of the tax to taxable years beginning after January 20, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1123, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1123, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Cachola.

SCRep. 417 Economic Development & Business on H.B. No. 1374

The purpose of this measure is to reduce unnecessary spending by:

- (1) Allowing past performance to be factored into the future bid selection of a contractor, including a review of delays, cost overruns, corrective actions, and responses to notices of deficiencies; and
- (2) Including in each bid evaluation a review of assessments from past work performed by a potential contractor and allowing a consideration of assessments of prior work in the awarding of contracts.

The Department of Education, The Pacific Resource Partnership, Hawaii Regional Council of Carpenters, and a concerned individual provided testimony in support of this measure. The Department of Transportation and State Procurement Office provided testimony in opposition.

Your Committee has amended this measure by changing its effective date to January 1, 2020, to facilitate further discussion.

Your Committee notes that the Department of Transportation and the State Procurement Office have expressed concerns regarding the proposed changes to the competitive sealed bids method of procurement and that further discussion on this measure is necessary.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1374, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1374, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 418 Tourism on H.B. No. 955

The purpose of this measure is to aid the Department of Taxation in gathering information about transient accommodations operators by changing the penalty for transient accommodations owners and lessors of property who fail to report and display required contact information to specific parties regarding transient accommodations from a criminal to a civil penalty.

The Department of Taxation and Outrigger Hotels Hawaii supported this measure.

Your Committee has amended this measure by inserting language stipulating that civil penalties shall be imposed no more than once per year. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 955, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cachola.

SCRep. 419 Tourism on H.B. No. 1339

The purpose of this measure is to help the Hawaii tourism industry retain its competitive edge in its promotional and marketing efforts and to increase efficiency in the Department of Taxation by repealing the \$10 daily transient accommodations tax collected each month for transient accommodations furnished on a complimentary or gratuitous basis.

The Department of Taxation, Hawaii Tourism Authority, Starwood Hotels and Resorts, Maui Hotel and Lodging Association, and Classic Vacations supported this measure. The Office of the Mayor of the County of Maui opposed this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1339, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No.

1339, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 420 Tourism on H.B. No. 332

The purpose of this measure is to further assist Hawaii's tourism industry by authorizing the Hawaii Tourism Authority to make grants for the development of visitor industry products and programs, through an agreement rather than through a contract. Specifically, this measure:

- (1) Authorizes the Hawaii Tourism Authority to provide grants to support cultural programs, community-based tourism activities, such as festivals and events, environmental projects and other appropriate activities;
- (2) Sets the required elements of a grant application;
- (3) Requires the Hawaii Tourism Authority to monitor grants for performance; and
- (4) Exempts these grants from the requirements of Hawaii grants and subsidies law.

The Hawaii Tourism Authority and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 332 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 421 Tourism on H.B. No. 963

The purpose of this measure is to amend provisions related to the collection and allocation of the Transient Accommodations Tax by:

- (1) Making permanent the current Transient Accommodations Tax rate of 9.25 percent;
- (2) Repealing the \$10 daily Transient Accommodations Tax levied on transient accommodations furnished on a complimentary or gratuitous basis;
- (3) Adjusting the allocation of revenues to the Convention Center Enterprise Special Fund, Tourism Special Fund, and the counties; and
- (4) Making permanent the limits on deposits into the Tourism Special Fund and amounts transferred to the counties.

The Department of Taxation supported this measure. The ILWU Local 142 and Hawaii Tourism Authority supported the measure with amendments. The Chamber of Commerce of Hawaii, Maui Hotel and Lodging Association, Hawaii Lodging and Tourism Association, Hawai'i Council of Mayors, Maui Chamber of Commerce, Department of Finance of the County of Kauai, and several members of the Maui County Council opposed this measure. The City and County of Honolulu, Waikiki Improvement Association, and Tax Foundation of Hawaii offered comments on the measure.

Your Committee has amended this measure by:

- (1) Repealing the \$71,000,000 limit on deposits into the Tourism Special Fund and amending the percentage of revenues allocated to that special fund; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 963, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 963, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 422 Housing on H.B. No. 935

The purpose of this measure is to protect Hawaii's forest watersheds by increasing the conveyance tax on certain real estate transactions and reallocating the distribution of conveyance tax revenues to the Natural Area Reserve Fund for watershed protection and invasive species control and to the Rental Housing Trust Fund.

The Department of Land and Natural Resources; Department of Taxation; Office of Hawaiian Affairs; Hawai'i Appleseed Center for Law and Economic Justice; Hawaii Green Growth Initiative; Hawai'i Invasive Species Council; Housing Hawaii; The Nature Conservancy of Hawaii; Partners in Care; Sierra Club, Hawaii Chapter; Coordinating Group on Alien Pest Species; and numerous concerned individuals supported this measure. The Hawaii Public Housing Authority and Catholic Charities Hawaii supported this measure, with suggested amendments. Hawaii Housing Finance and Development Corporation supported the intent of this measure. The Chamber of Commerce of Hawaii, Building Industry Association of Hawaii, Hawai'i Association of REALTORS®, NAIOP Hawaii, Land Use Research Foundation of Hawaii, and two concerned individuals opposed this measure. The Tax Foundation of Hawaii provided comments.

Your Committee respectfully requests that the Committee on Finance consider retaining the amount of the conveyance tax that is allocated to the Rental Housing Trust Fund at 50 percent in order to create additional affordable rental units for Hawaii's people.

Your Committee has amended this measure by:

- (1) Specifying that fifty percent of conveyance tax proceeds are to be allocated to the Rental Housing Trust Fund;
- (2) Establishing a repeal date of June 30, 2023; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 935, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 935, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 423 Higher Education on H.B. No. 657

The purpose of this measure is to provide additional support for cancer research in the State by imposing an excise tax of \$3.20 per net ounce of tobacco on tobacco products other than large cigars beginning January 1, 2014, and depositing the monies collected from the tax into the Hawaii Cancer Research Special Fund.

The University of Hawaii Cancer Center, Coalition for a Tobacco-Free Hawaii, and American Cancer Society Cancer Action Network supported this measure. The Cigar Association of America, Inc., and a concerned individual opposed this measure. The Department of Taxation, Department of Health, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the excise tax will be imposed per ounce in each article or item of tobacco products;
- (2) Requiring the tax to be computed based on the manufacturer's listed net weight, including fractional parts of an ounce;
- (3) Inserting a definition for "manufacturer's listed net weight";
- (4) Changing the allocation of monies generated by the tax by allocating:
 - (A) 12 percent to the Hawaii Cancer Research Special Fund;
 - (B) 9 percent to the Trauma System Special Fund;
 - (C) 8 percent to the Community Health Centers Special Fund;
 - (D) 8 percent to the Emergency Medical Services Special Fund; and
 - (E) The remaining balance to the general fund; and
- (5) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 657, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 657, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 424 Higher Education on H.B. No. 1073

The purpose of this measure is to help ensure the efficient and effective handling of legal matters at the University of Hawaii by, among other things:

- (1) Limiting the Board of Regents to one general counsel and permitting the contract hire of independent counsel to instances in which both the University General Counsel and the Attorney General acknowledge a lack of sufficient expertise; and
- (2) Requiring the University General Counsel to report directly to the Board of Regents.

A concerned individual supported this measure. The Office of the President of the Associated Students of the University of Hawaii at Manoa, Manoa Faculty Senate Executive Committee, and a concerned individual opposed this measure. The University of Hawaii Professional Assembly provided comments.

Your Committee on Higher Education notes concerns expressed by testifiers that the Legal Affairs and University General Counsel Office at the University of Hawaii appears to require more resources than it currently has and that limiting the University, and more specifically, the Board of Regents to

just one general counsel will exacerbate an already difficult situation. As such, your Committee respectfully requests the Committee on Judiciary to inquire about the Office's current budget, the number of attorneys on staff, and the extent to which the Office's services are used throughout the University system and consider such information in its deliberations should this measure move forward.

Your Committee has amended this measure by:

- (1) Authorizing the University General Counsel to hire one or more staff attorneys to assist in providing legal services for the University;
- (2) Authorizing the contract of independent attorneys in cases in which the University General Counsel and the Attorney General each acknowledge a conflict of interest;
- (3) Requiring the University General Counsel and Attorney General to acknowledge the lack of sufficient expertise or conflict of interest to the Board of Regents in writing;
- (4) Requiring contracted independent attorneys to consult with the University General Counsel in addition to the Attorney General;
- (5) Requiring the Board of Regents to submit an annual report to the Legislature detailing each contract of independent counsel, including the amount of and reason for the contract;
- (6) Providing that this bill will not impair existing contracts; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1073, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1073, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 425 Health on H.B. No. 907

The purpose of this measure is to ensure that immunizations required, and the manner and frequency of their administration, conform to nationally recognized standard medical practices. Specifically, this measure authorizes the Department of Health to adopt, amend, or repeal a list of specific vaccines and to adopt, amend, or repeal, as rules, the immunization recommendations of the United States Department of Health and Human Services, Advisory Committee on Immunization Practices, as they apply to the list of specific vaccines.

The Department of Health, Walgreens Co., Hawaii Immunization Coalition, Hawaii Medical Association, Kaiser Permanente, National Council of Asian Pacific Islander Physicians, and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 907 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 426 Health on H.B. No. 404

The purpose of this measure is to raise awareness of the risks of birth defects from alcohol consumption during pregnancy by requiring licensed premises under the State's intoxicating liquor law, chapter 281, Hawaii Revised Statutes, to post a sign in the premises containing and notifying customers and others of the risks of birth defects for women drinking alcoholic beverages during pregnancy.

The Department of Health, Family Voices of Hawaii, and March of Dimes, Hawaii Chapter supported this measure. The Hawaii Restaurant Association opposed this measure. The Department of Accounting and General Services commented on this measure.

Your Committee has amended this measure by:

- (1) Requiring the liquor commissions, rather than the Comptroller, to determine the size of the printed words on the signs;
- (2) Changing its effective date to January 1, 2050, to further continued discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 404, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 404, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 427 Health on H.B. No. 407

The purpose of this measure is to support early detection, screening, and treatment of breast and cervical cancer by appropriating \$100,000 for

each year of the 2013-2015 fiscal biennium for the Comprehensive Breast and Cervical Cancer Control Program under the Department of Health.

The Queen's Health Systems, Hawaii Medical Association, Planned Parenthood of Hawaii, Hawaii Medical Service Association, American Cancer Society Cancer Action Network, and an individual supported this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate continued discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 407, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 407, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 428 Transportation on H.B. No. 1324

The purpose of this measure is to make streets safer by:

- (1) Requiring annual registration and inspection of mopeds;
- (2) Requiring operators of mopeds to enroll in safety courses in order to operate their mopeds; and
- (3) Increasing the fine for modifying a moped to \$1,000.

Two concerned individuals supported this measure. The Department of Transportation supported this measure with amendments. The City and County of Honolulu and the Counties of Hawaii, Kauai, and Maui, and Hawaii Bicycling League provided comments.

Your Committee has amended this measure by:

- (1) Specifying that all mopeds are required to be registered every calendar year;
- (2) Eliminating the requirement that an inspection for a moped include a horsepower test;
- (3) Specifying that the requirement that mopeds be operated only with an exhaust system that meets original manufacturer requirements applies to mopeds manufactured after December 31, 2013;
- (4) Changing the effective date to January 1, 2014; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1324, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 429 Transportation on H.B. No. 364

The purpose of this measure is to facilitate a more proper use of taxpayer money by changing the State's automatic deduction of ten percent of the gross proceeds of a county's surcharge on state tax to a deduction of a reasonable amount to reimburse the state for costs associated with handling the assessments, collection, and disposition of the county surcharge on state tax.

The City and County of Honolulu supported this measure. A concerned individual supported the intent of this measure. The Department of Taxation provided comments.

Your Committee has amended this measure by:

- (1) Deleting the term "a reasonable amount" and leaving blank the amount of the State's automatic deduction of the gross proceeds of a county's surcharge on state tax;
- (2) Changing the effective date to July 1, 2050, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 364, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 364, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 430 Transportation on H.B. No. 977

The purpose of this measure is to conform Hawaii laws relating to commercial driver licensing to the most recent federal regulations. Specifically, among other things, this measure:

- (1) Adds a new section to chapter 286, Hawaii Revised Statutes, relating to commercial learner's permits, changes existing references to "instruction permits" to the updated term "commercial learner's permit," and includes commercial learner's permits in certain regulatory provisions;
- (2) Requires surrendered commercial driver's licenses to be shredded;
- (3) Adds and amends definitions to conform to federal regulations;
- (4) Prohibits an employer from allowing an employee to drive a commercial motor vehicle without a current permit or without proper license restrictions and endorsements;
- (5) Modifies the testing method to allow only the use of English during the skills test;
- (6) Establishes a minimum age of 18 years for a commercial learner's permit holder and amends standards and processes for issuing a commercial learner's permit;
- (7) Provides for inter-state cooperation among state licensing authorities for information-sharing and license recognition;
- (8) Allows a digitized or black and white laser engraved photograph to fulfill the photograph requirement of the application; and
- (9) Amends existing and adds new commercial driver's licenses restriction codes.

The Department of Transportation and the Hawaii Transportation Association supported this bill.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2020, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 977, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 977, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Ing and Takumi.

SCRep. 431 Transportation on H.B. No. 1080

The purpose of this measure is to promote the development of bicycling in Hawaii by requiring:

- (1) The Department of Transportation to establish alternative bikeway projects when the original project may be unfeasible; and
- (2) That annual reporting to the Legislature by the Department of Transportation include information as to why the initial project was unfeasible and what alternative project or projects were selected.

The Sierra Club, Hawai'i Chapter; Hawaii Bicycling League; Environmental Caucus of the Democratic Party; and numerous concerned individuals supported this measure. The Department of Transportation and a concerned individual opposed this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Department of Transportation's annual report to the Legislature shall be submitted no later than 20 days before the convening of each regular session;
- (2) Removing certain reporting requirements, including requirements to provide factually based information as to why a project was determined to be unfeasible and to provide a list of alternative projects selected;
- (3) Changing the effective date to July 1, 2050, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1080, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1080, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 432 Transportation on H.B. No. 690

The purpose of this measure is to provide more adequate benefits to individuals killed or injured in traffic accidents by increasing motor vehicle liability insurance coverage from:

- (1) Not less than \$20,000 per person to not less than \$50,000 per person; and
- (2) A maximum of \$40,000 per accident to a maximum of \$100,000 per accident.

Hawaii Association for Justice and an individual supported this measure. Property Casualty Insurers Association of America, State Farm Mutual Automobile Insurance Company, USAA, and EAN Holdings, LLC opposed this measure. The Department of Commerce and Consumer Affairs and Hawaii Insurers Council commented on this measure.

Your Committee has amended this measure by:

- (1) Decreasing the proposed increase in motor vehicle liability insurance coverage from not less than \$50,000 per person, to not less than \$35,000 per person; and
- (2) Retaining the existing statutory amount of motor vehicle liability insurance coverage at a maximum of \$40,000 per accident.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 690, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 690, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee.

SCRep. 433 Transportation on H.B. No. 982

The purpose of this measure is to assist the Department of Transportation with the maintenance and operation of Hawaii's state highway right-of-ways by requiring:

- (1) Franchise electric light or power utilities to pay equitable compensation to both the county in which the utility operates and the Highways Division of the Department of Transportation for the use and occupancy of county and state highways, respectively; and
- (2) The money collected by the Highways Division of the Department of Transportation under paragraph (1) above to be deposited into the State Highway Fund and used for the operation and maintenance of the Department of Transportation's highway facilities.

The Department of Transportation and a concerned individual supported this measure. The City and County of Honolulu, Maui County, Maui County Department of Finance, Kaua'i County Department of Finance, and Hawai'i County opposed this measure.

Your Committee has amended this measure by:

- (1) Leaving blank the percentage of gross receipts that will be paid to the counties and to the Department of Transportation Highways Division, respectively; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 982, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 982, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 434 Transportation on H.B. No. 101

The purpose of this measure is to provide flexibility to the County of Hawai'i in roadway development by:

- (1) Allowing the County of Hawai'i to appropriate its share of fuel tax revenue for the maintenance of substandard private subdivision roads that are used by the public; and
- (2) Stipulating that neither the State nor County shall be responsible for installing infrastructure if the roads are later sold to a private entity.

The County of Hawai'i supported this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 101, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 435 Transportation on H.B. No. 591

The purpose of this measure is to appropriate funds for the Safe Routes to School Program.

Cycle On Hawaii and a concerned individual supported this measure. The Department of Transportation supported the intent of this measure. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Removing provisions which would have explicitly allowed moneys on balance in the Safe Routes to School Program Special Fund at the close of each fiscal year to remain in the Fund, rather than lapsing to the general fund;
- (2) Deleting language appropriating funds out of the Safe Routes to School Program Special Fund;
- (3) Inserting language stipulating that the fees deposited for each fiscal year into the Safe Routes to School Special Fund, when appropriated, shall be available to the Department of Transportation to administer the Safe Routes to School Program;
- (4) Inserting language stipulating that when appropriated, funds may also be delegated by the Director of Transportation to the respective counties to expend for the purposes of the Act that established the Safe Routes to School Program; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 591, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 591, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 436 Agriculture on H.B. No. 508

The purpose of this measure is to facilitate the procurement of agricultural commodities by government agencies by exempting from the Procurement Code any contract by governmental bodies to procure fresh meat and produce, and animals and plants, for use by any governmental body.

The State Procurement Office; The Kohala Center, Hawaii Island School Garden Network; Ulupono Initiative; and Hawaii Cattlemen's Council testified in support of this measure. The Department of Agriculture (DOA) and Hawaii Farm Bureau Federation testified in support of this measure with amendments. Animal Rights Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by DOA, as developed in tandem with the State Procurement Office, to place the exemption for fresh meat and produce, and animals and plants, within subparagraph (D) of section 103D-102(b)(4); and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 508, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 508, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and Choy.

SCRep. 437 Agriculture on H.B. No. 1264

The purpose of this measure is to support agriculture by expanding the Department of Agriculture (DOA) Loan Program. Specifically, the bill amends the Loan Program by:

- (1) Allowing the following costs to qualify for the indicated loans:
 - (A) Infrastructure and the implementation of new farming techniques for farm ownership and improvement loans;
 - (B) Infrastructure, infrastructure improvements, and the implementation of new farming techniques for farm operating loans;
 - (C) Infrastructure, infrastructure improvements, and the implementation of new farming techniques for loans to farmers' cooperatives, corporations, and food manufacturers;

- (D) Infrastructure, infrastructure improvements, and the implementation of new farming techniques for loans to part-time farmers; and
- (E) Implementation of new farming techniques for farm sustainable project loans; and
- (2) Increasing the maximum loan amount for new farmer programs loans from \$250,000 to \$350,000.

Farm sustainable project loans are also expanded to include costs associated with new farming techniques. In addition, the maximum loan amount for new farmer programs is increased to \$350,000.

Land Use Research Foundation of Hawaii and one individual testified in support of this measure. DOA offered comments.

Your Committee has amended this measure by:

- (1) Adding a new class of loans for biosecurity projects that, among other things:
 - (A) Seeks to protect the health of livestock, poultry, and humans from diseases, pests, and pathogens that may originate on a farm;
 - (B) Encourages infrastructure improvements related to biosecurity by offering better rate loans;
 - (C) Establishes a loan maximum of \$1,000,000; and
 - (D) Requires the loan applicant to have a specified credit rating;
- (2) Enhancing the low interest rate loan for new farmer programs by expanding the loan to include farm innovation programs and:
 - (A) Amending the definition of "new farmer program" to read "new farmer" and expanding the list of qualifying persons to include graduates from farm trainee programs;
 - (B) Reinstating the maximum loan amount of \$250,000 for new farmers;
 - (C) Waiving the one credit denial restriction for new farmer loans up to \$100,000 made to farm trainees and recent college graduates with a degree in agriculture;
 - (D) Requiring farm trainees and recent graduates with agriculture degrees to contribute at least five per cent in equity when applying for a new farmer loan of up to \$100,000; and
 - (E) Including a farm innovation loan, limited to \$75,000, for the costs of exploring and performing new farm innovation techniques;
- (3) Authorizing DOA to guaranty all the classes of loans under the DOA Loan Program; provided that the loans meet all qualifications and requirements;
- (4) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1264, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1264, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Tokioka.

SCRep. 438 Agriculture/Tourism on H.B. No. 1266

The purpose of this measure to clarify that agricultural tourism must occur in the presence of a bona fide agricultural activity.

The Department of Planning and Permitting of the City and County of Honolulu testified in opposition to this measure. The Department of Agriculture submitted comments.

Your Committees have amended this measure by:

- (1) Inserting provisions that allow for agricultural tourism uses and activities, including overnight accommodations solely in conjunction with bona fide farming operations;
- (2) Deleting the provision of current law that restricts agricultural tourism activities to a county that includes at least three islands and has adopted ordinances regulating agricultural tourism activities;
- (3) Increasing the duration of a permissible overnight accommodation stay from twenty-one days or less to less than thirty consecutive days;

- (4) Allowing each county to adopt more restrictive standards and requirements than those contained in this measure for permitting and regulating agricultural tourism uses and activities, including by adopting interim rules or ordinances that remain in effect until the county has adopted or amended applicable county codes;
- (5) Providing that this measure shall not invalidate a lawful permit for an agricultural tourism use including overnight accommodations on lands in the agricultural district in effect on or before the effective date of this measure;
- (6) Changing its effective date to be effective, upon its approval, on July 1, 2014; and
- (7) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1266, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1266, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola and Ohno.

SCRep. 439 Labor & Public Employment/Agriculture on H.B. No. 749

The purpose of this measure is to promote agricultural self-sufficiency in Hawaii by:

- (1) Establishing the Hawaii Agriculture Workforce Advisory Board; and
- (2) Appropriating funds to support the Hawaii Agriculture Workforce Advisory Board.

The Department of Labor and Industrial Relations, University of Hawai'i at Mānoa, Hawaii Organic Farming Association, and a concerned individual supported this measure. The Department of Agriculture and Hawaii Farm Bureau Federation supported the intent of this measure. The Kohala Center and a concerned individual provided comments.

Your Committees have amended this measure by:

- (1) Increasing the number of members of the Hawaii Agriculture Workforce Advisory Board from six to eight to include:
 - (A) A representative from the Hawaii Farm Bureau Federation; and
 - (B) A representative from the farming community;
- (2) Naming the Director of Labor and Industrial Relations as Chairperson of the advisory board; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 749, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 749, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Johanson.

SCRep. 440 Labor & Public Employment/Public Safety on H.B. No. 1172

The purpose of this measure is to establish a new collective bargaining unit to represent first responder employees, including state law enforcement officers and state and county ocean safety and water safety officers, within the State and Counties.

The Department of Land and Natural Resources, Hawaii Government Employees Association, State Sheriff Division, City and County of Honolulu Emergency Services Department, Visitor Aloha Society of Hawai'i, North Shore Lifeguard Association, Hawaiian Lifeguard Association, Kauai Fire Department, Ocean Safety Windward, East Hawaii Ocean Safety, Big Island Lifeguard Association, Kauai Lifeguard Association, and numerous concerned individuals supported this measure. The Department of Public Safety supported the intent of this measure. A few concerned individuals opposed this measure. The Department of Budget and Finance provided comments.

Your Committees have amended this measure by:

- (1) Changing the name of the new unit from "first responders including state law enforcement officers and state and county ocean safety and water safety officers" to "state law enforcement officers and state and county ocean safety and water safety officers" for clarity; and
- (2) Making technical, nonsubstantive amendments for style, clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1172, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1172, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Johanson and McDermott.

SCRep. 441 Water & Land on H.B. No. 194

The purpose of this measure is to strengthen the State Historic Preservation Division of the Department of Land and Natural Resources by specifying professional qualifications for the State Historic Preservation Officer, in accordance with federal law, and converting certain positions within the Division to civil service status.

The Office of Hawaiian Affairs submitted testimony in support of this measure. The Society for Hawaiian Archaeology submitted testimony in support of the measure with amendments. Historic Hawaii Foundation submitted testimony in support of the intent of this measure. The Department of Land and Natural Resources submitted testimony in opposition to this measure. The Department of Human Resources Development submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the activities and functions of the State Historic Preservation Division are conducted in context of the National Historic Preservation Act and that the Division has a duty to fulfill the requirements of that Act and other federal law;
- (2) Deleting the requirement that the appointment of the State Historic Preservation Officer be subject to the advice and consent of the Senate;
- (3) Including Hawaiian studies as one of the acceptable areas of specialization in the professional qualifications of the State Historic Preservation Officer; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that the State Historic Preservation Division and the federal government are currently pursuing discussions regarding the State's historic preservation activities. Your Committee respectfully requests that further consideration of this measure take into account the on-going communication between the Division and federal agencies in order to fully address all of the important issues involved.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 194, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.
(Representative Thielen voted no.)

SCRep. 442 Water & Land on H.B. No. 1106

The purpose of this measure is to create a private right of action against any person maintaining a residentially zoned property that is found in violation of a state law, rule, or county ordinance, three or more times within three years, if such violation causes injury or damage to another person or another person's property.

Several individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Reducing the length of time in which subsequent violations of a state law, rule, or county ordinance, gives rise to a cause of action from three years to eighteen months; and
- (2) Changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1106, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1106, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Lee.
(Representative Thielen voted no.)

SCRep. 443 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 509

The purpose of this measure is to clarify the maintenance responsibilities, permissible usage, and ownership of Makua Valley on the island of Oahu by establishing the Makua Valley Reserve Commission to, among other duties, oversee preservation and restoration activities within the Valley.

The Department of Land and Natural Resources and several individuals testified in support of this measure. The Office of Hawaiian Affairs supported this measure with amendments. The Department of the Army, Regional Environmental and Energy Office; Department of Budget and Finance; The Military Affairs Council of the Chamber of Commerce of Hawaii; Hawaii's Veterans of Foreign Wars; and an individual testified in opposition to this measure. The Department of Business, Economic Development, and Tourism; Earthjustice; Life of the Land; and a few individuals provided comments on this measure.

Your Committees note the importance of State preparedness for the transition of kuleana of Makua Valley from the federal government to the State in 2029. For this purpose, your Committees further note that the Makua Valley Reserve Advisory Committee is composed entirely of stakeholders in the preservation and restoration of Makua Valley Reserve.

Your Committees have amended this measure by:

- (1) Deleting provisions that established and granted specific authority to the Makua Valley Reserve Commission, including the power to establish and enforce penalties, and enter into agreements regarding Makua Valley;
- (2) Establishing instead the Makua Valley Reserve Advisory Committee purposed with acting in an advisory capacity to assist with developing a plan for the restoration and preservation of the valley;
- (3) Deleting provisions relating to the holding of Makua Valley in a public land trust upon its transfer to the State;
- (4) Deleting provisions relating to the creation of the Makua valley rehabilitation trust fund; and
- (5) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 509, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 509, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 444 Energy & Environmental Protection on H.B. No. 378

The purpose of this measure is to protect Hawaii's beaches by providing matching funds for the environmental impact statement associated with the planned beach nourishment project at Kaanapali Beach on the island of Maui.

The Hawaii Tourism Authority, Maui Hotel & Lodging Association, and Classic Resorts provided testimony in support of this measure. The Department of Land and Natural Resources and Kaanapali Operations Association, Inc., provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriated amount to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that an appropriation of \$400,000 may drain the Beach Restoration Special Fund and cripple future restoration efforts and respectfully asks that your Committee on Finance consider replenishing the fund or making a separate appropriation for this purpose.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 378, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 378, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Coffman.

SCRep. 445 Human Services on H.B. No. 867

The purpose of this measure is to require financial institutions to report suspected financial abuse against an elder to the appropriate county police department instead of the Department of Human Services.

The Department of Human Services and the Executive Office on Aging testified in support of the measure. Hawaii Credit Union League testified in support of the measure with amendments. The Honolulu Police Department opposed the measure. Hawaii Bankers Association provided comments.

Your Committee has amended this measure by:

- (1) Reinstating the original statutory requirements that financial institutions report suspected abuse to the Department of Human Services;
- (2) Allowing the required reporting of suspected financial abuse to be made by facsimile or electronic device;
- (3) Reinstating the original statutory requirements that upon receipt of a report of suspected financial abuse, the Department of Human Services, in a timely manner, determine whether it has jurisdiction over the elder and to proceed accordingly pursuant to established procedures;
- (4) Requiring the police department to proceed in a timely manner with a criminal investigation after the receipt of a report; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 867, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 867, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee.

SCRep. 446 Human Services on H.B. No. 1006

The purpose of this measure is to assist victims of domestic violence, sexual assault, elder abuse, and human trafficking, and to provide family-based social services by:

- (1) Authorizing the Department of Human Services to create a Family Justice Center Task Force to consider the establishment of one or more multi-agency, multi-disciplinary family justice centers on any island in the State; and
- (2) Requiring the Family Justice Center Task Force to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the 2014 Regular Session.

The Department of Education, IMUAlliance, and The Pacific Alliance to Stop Slavery supported this measure. The Department of Human Services supported the intent of this measure. The Hawaii State Coalition Against Domestic Violence and Community Safety & Support opposed this measure. Comments were received from the City and County of Honolulu Department of the Prosecuting Attorney and The Sex Abuse Treatment Center.

Your Committee noted the testimony of the City and County of Honolulu Department of the Prosecuting Attorney that funding for family justice centers must be expanded to the Neighbor Islands. To assist victims of domestic violence, sexual assault, elder abuse, and human trafficking in the State, funding and other resources to combat such abuse must be applied statewide.

Upon consideration, your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1006, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1006, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 447 Human Services on H.B. No. 1022

The purpose of this measure is to require operators of adult foster homes, adult residential care homes, assisted living facilities, expanded adult residential care homes, and community care foster family homes to obtain and maintain liability insurance for both the homes or facilities and automobiles used for transporting residents.

One individual submitted testimony in support of the measure. The Department of Human Services and Department of Health submitted testimony opposing the measure.

Your Committee has amended this measure by:

- (1) Deleting provisions that extended the repeal date of Act 221, Session Laws of Hawaii 2011, to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1022, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1022, H.D. 1, and be referred to the Committees on Judiciary and Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 448 Water & Land on H.B. No. 191

The purpose of this measure is to authorize the Board of Land and Natural Resources to consult with and receive assistance from the Hawaii Community Development Authority with regards to planning, developing, operating, administering, and maintaining small boat harbors.

This measure also authorizes the Hawaii Community Development Authority to consult with and assist the Board of Land and Natural Resources regarding those same matters.

Testimony in support of this measure was received from the Executive Director of the Hawaii Community Development Authority, and the Ocean Tourism Coalition. Testimony in opposition to the measure was received from the League of Women Voters Hawaii and several concerned individuals. Comments on the measure were received from the Department of Land and Natural Resources.

Your Committee finds that the experience and insight that the Hawaii Community Development Authority has gained in managing small boat harbors since 2009 will greatly benefit the Department of Land and Natural Resources in its own efforts at managing small boat harbors.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 191 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Coffman, Cullen and Kawakami.

SCRep. 449 Judiciary on H.B. No. 1056

The purpose of this measure is to support a successful restorative justice-based pilot program by:

- (1) Appropriating funds to expand the Restorative Reentry Circles pilot program to correctional facilities statewide; and
- (2) Requiring the Department of Public Safety to contract with a health and human services provider to establish Restorative Reentry Circles programs in correctional facilities statewide.

The Department of Public Safety, Office of Hawaiian Affairs, American Civil Liberties Union of Hawai'i, Community Alliance on Prisons, and Drug Policy Forum of Hawai'i testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1056, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Lee, Wooley and McDermott.

SCRep. 450 Energy & Environmental Protection on H.B. No. 453

The purpose of this measure is to encourage renewable energy production to enable Hawaii to meet its clean energy initiative goals by excluding from the definition of "public utility," persons who install renewable energy systems on their properties and provide, sell, or transmit the power therefrom to an electric utility or lessees or tenants of the property.

The Department of Taxation; Sierra Club, Hawaii Chapter; Blue Planet Foundation; Carmel Partners; Distributed Energy Partners; Forest City Hawaii; GSF, LLC; Hawaii Association of REALTORS; Hawaii Solar Energy Association; NAIOP Hawaii; Sunetric; Catholic Charities Housing Development Corporation; The Michaels Development Company; and several individuals provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism; the Department of Commerce and Consumer Affairs; the Public Utilities Commission; and Kairos Energy Capital provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should your Committee on Consumer Protection and Commerce consider this measure, your Committee requests that it address landlord-tenant issues that may arise from the provisions of this measure to among other things ensure that tenants reap some of the energy cost-savings benefits of the renewable energy systems.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 453, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 453, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 451 Energy & Environmental Protection on H.B. No. 1406

The purpose of this measure is to require homeowners, community, and condominium associations and cooperatives, among others, to submit a copy of their duly adopted rules providing for the placement of solar energy devices by the deadline for filing their next condominium association biennial registration; provided, however, that failure to do so shall result in loss of their tax exempt status.

The Department of Business, Economic Development, and Tourism; Hawaii Solar Energy Association; and Interisland Solar Supply supported this measure. The Community Associations Institute Legislative Action Committee and an individual testified in opposition of this measure. The Blue Planet Foundation provided comments on this measure.

Your Committee notes that the loss of tax exempt status may be too severe a penalty for many associations and cooperatives. Should the Committee on Commerce and Consumer Protection consider this measure, your Committee respectfully requests that the above be considered.

Your Committee has amended this measure by:

- (1) Clarifying that every association, cooperative, or other entity that is prohibited statutorily from preventing the installation of solar energy devices on townhouses and other dwellings is subject to the rule adoption requirements pertaining to such installations;
- (2) Including devices using solar energy for drying or clothes-drying in the definition of "solar energy device"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1406, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1406, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 452 Tourism on H.B. No. 334

The purpose of this measure is to allow for consistent and uniform application of tax law for taxpayers in the hospitality industry. Specifically, this bill:

- (1) Makes permanent the provision that allows submanagers the same General Excise Tax exemption allowed to managers or board of directors of associations of apartment owners or homeowners associations for amounts received in reimbursement of sums paid for common expenses; and
- (2) Makes permanent the provision that allows timeshare associations and suboperators of hotels the same General Excise Tax exemption allowed to hotel operators for amounts received which are disbursed for employee wages, salaries, payroll taxes, insurance premiums and benefits.

Outrigger Hotels Hawaii, Wyndham Vacation Ownership, Hawaii Association of REALTORS, and a concerned individual supported this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 334 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 453 Tourism on H.B. No. 1340

The purpose of this measure is to remove the \$71,000,000 cap on the amount which may be deposited into the Tourism Special Fund from Transient Accommodations Tax revenues.

The Hawaii Tourism Authority and Outrigger Hotels Hawaii supported this measure. The Department of Finance of the County of Kauai opposed this measure. The Department of Taxation and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1340, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1340, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 454 Economic Development & Business on H.B. No. 166

The purpose of this measure is to require that at least three percent of the twenty percent set-aside for small businesses under the Procurement Code be awarded to veteran-owned and service-disabled veteran-owned small businesses in addition to any other preferences provided under the Procurement Code.

The Chamber of Commerce of Hawaii and National Association for Uniformed Services testified in support of this measure. The State Procurement Office, State Office of Veterans Services, and General Contractors Association of Hawaii submitted comments.

Your Committee has amended this measure by leaving the percent of the State's annual purchasing expenditure for veteran-owned and service-disabled veteran-owned small businesses out of the twenty percent set-aside for small businesses unspecified. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 166, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 166, H.D. 2.

Signed by all members of the Committee except Representative Cachola.

SCRep. 455 Economic Development & Business on H.B. No. 726

The purpose of this measure is to encourage new film, television, entertainment, digital media, and music production in Hawaii by:

- (1) Increasing the amount of the Motion Picture, Digital Media, and Film Production Income Tax Credit for qualified production costs incurred by a qualified production to:
 - (A) Twenty percent in any county of the State with a population of over seven hundred thousand; and
 - (B) Twenty-five percent in any county of the State with a population of seven hundred thousand or less;
- (2) Eliminating the cap on the tax credit that may be claimed per qualified production; and
- (3) Extending the Motion Picture, Digital Media, and Film Production Income Tax Credit until 2023.

NBC Universal Media, LLC; Maui Chamber of Commerce; and Island Film Group testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; and Honolulu Film Office submitted comments.

Your Committee has amended this measure by:

- (1) Changing the percentage increases in the amount of the tax credit for qualified production costs incurred by a qualified production to unspecified amounts;
- (2) Reinserting language establishing the cap on the tax credit that may be claimed per qualified production but leaving the amount of the cap as an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 726, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 726, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 456 Economic Development & Business on H.B. No. 1463

The purpose of this measure is to invest in technology development by facilitating a connection between the high technology industry and visitors to the State through the initiation of a High Technology Worker Incubator Program. The measure also appropriates money from the general fund and High Technology Loan Revolving Fund to be used by the High Technology Development Corporation to initiate and run the program.

NetEnterprise testified in support of this measure. The High Technology Development Corporation testified in support with amendments. The Hawaii Strategic Development Corporation submitted comments.

Your Committee has amended this measure by:

- (1) Encouraging coordinated, umbrella efforts such as the HI Growth Initiative to invest in technology development in Hawaii;
- (2) Deleting, in its entirety, the High Technology Worker Incubator Program;
- (3) Revising the appropriations to a general fund appropriation to the High Technology Development Corporation for the development of a program to benefit the State's innovation community by having returning kama'aina and other out-of-state software workers connect with high technology industries in Hawaii; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1463, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1463, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 457 Higher Education on H.B. No. 1396

The purpose of this measure is to preserve, perpetuate, and share the legacy of Japanese-Americans who served in the United States armed forces during World War II, as well as those who were detained in internment camps, through research and educational programs, outreach efforts, and displays for residents and visitors by appropriating an unspecified amount in general funds for the planning, design, and construction of a Nisei Veterans Legacy Center and a Honouliuli Internment Camp Educational Center.

The Japanese Cultural Center of Hawai'i and numerous concerned individuals supported this measure. The University of Hawai'i West O'ahu, Department of Land and Natural Resources, and Hawai'i Civil Rights Commission provided comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1396, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 458 Higher Education on H.B. No. 1392

The purpose of this measure is to help preserve Hawaii's historical film, videotape, and audiovisual materials and increase access to such materials by appropriating an unspecified amount in general funds to be deposited into the 'Ulu'ulu: The Henry Ku'ualoha Giugni Moving Image Archive of Hawai'i Special Fund, and appropriating from the Fund an unspecified amount to support the Archive's activities.

The Department of Business, Economic Development, and Tourism and two concerned individuals supported this measure. The University of Hawai'i West O'ahu provided comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1392, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 459 Higher Education on H.B. No. 1380

The purpose of this measure is to help increase access for Hawaii residents who are students to educational and civic opportunities by appropriating \$200,000 in general revenues for each fiscal year of fiscal biennium 2013-2015, for the University of Hawaii to implement a scholarship program, with specified requirements, in partnership with the Washington Center.

The Student Equity Excellence and Diversity Office of the University of Hawaii at Manoa and a concerned individual supported this measure. The University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Allowing appropriated monies to be used for other programs, in addition to a scholarship program, that may be implemented in partnership with the Washington Center; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1380, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1380, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 460 Higher Education on H.B. No. 1354

The purpose of this measure is to encourage access and diversity in higher education in the State by appropriating \$245,000 in general funds for each year of fiscal biennium 2013-2015 to fund various positions supporting the University of Hawaii Pamantasan Council and its goals.

The University of Hawaii Pamantasan Council, University of Hawaii at Manoa Center for Philippine Studies, Timpuyog Organization, and many concerned individuals supported this measure. The University of Hawaii at Manoa supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Making unspecified the appropriation amount;
- (2) Removing specific numbers of positions funded by the appropriation;
- (3) Changing its effective date to January 1, 2525, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1354, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1354, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Ohno, Takumi and Fale.

SCRep. 461 Higher Education on H.B. No. 114

The purpose of this measure is to assist the Board of Regents of the University of Hawaii in discharging its constitutional powers and duties to ensure the responsible use of fiscal resources by the University by establishing an Independent Audit Committee within the Board of Regents.

The University of Hawaii and Office of Information Practices provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the Independent Audit Committee is exempt from Hawaii's Sunshine Law, rather than the entirety of chapter 92, Hawaii Revised Statutes;
- (2) Clarifying that Sunshine Law and Administrative Procedures Act exemptions apply only when the Committee is engaging in discussions or proceedings arising from a Committee investigation relating to potentially actionable civil or criminal conduct; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 114, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as

H.B. No. 114, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Ohno, Takumi and Fale.

SCRep. 462 Energy & Environmental Protection on H.B. No. 1405

The purpose of this measure is to increase transparency in power purchase agreements for renewable energy by requiring the Public Utilities Commission to publish power purchase contracts, in their entirety, on its website.

The Sierra Club, Hawaii Chapter, Life of the Land, and the Environmental Caucus of the Democratic Party of Hawaii provided testimony in support of this measure. The Department of Commerce and Consumer Affairs; the Public Utilities Commission; Hawaiian Electric Company and its subsidiary utilities, Maui Electric Company and Hawaiian Electric Light Company; and Blue Planet Foundation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring instead that the annual report of the Public Utilities Commission include a summary of power purchase agreements in effect during the fiscal year; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1405, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1405, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 463 Transportation on H.B. No. 979

The purpose of this measure is to protect the State from costly lawsuits by authorizing the Department of Transportation to adopt rules to require private parties, who use or occupy state commercial harbors, to defend, indemnify, and hold harmless the State against liability for claims that arise from such use.

The Department of Transportation supported this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 979, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 979, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 464 Transportation on H.B. No. 170

The purpose of this measure is to recognize the sacrifices made by members of the armed services by exempting certain totally and permanently disabled veterans from paying the State motor vehicle registration fee.

The Military Officers Association of America, Hawaii Chapter; National Association for Uniformed Services, Hawaii Chapter; and a concerned individual supported this measure. The State Office of Veterans Services supported the intent of this measure. The Department of Transportation opposed this measure. The City and County of Honolulu and Tax Foundation of Hawaii provided comments.

Your Committee recognizes the service and sacrifice of this nation's veterans, especially those permanently disabled veterans that have honored this nation with their service and selfless duty. However, your Committee notes that concerns were expressed regarding the lack of information on the number of individuals eligible for this exemption, and the resulting fiscal impact of this measure. Moreover, your Committee has grave concerns regarding the financial fairness of this measure, because there may be permanently disabled veterans who are in financial need of this measure, and those who are not.

Accordingly, your Committee has amended this measure by adding an additional requirement that a disabled veteran is earning an annual income below an unspecified amount as determined by the United States Department of Veterans Affairs in order to be eligible for the exemption. Technical, nonsubstantive amendments were also made for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 170, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 170, H.D. 2.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 465 Transportation on H.B. No. 1440

The purpose of this measure is to increase awareness about organ and tissue donation among new drivers by requiring driver education programs

to include the distribution of information on organ and tissue donation and the possibility of saving lives through organ and tissue donation under Hawaii's law on the designation of an anatomical gift.

A council member of the City and County of Honolulu, Legacy of Life Hawaii, and a concerned individual supported this measure. The Department of Education opposed this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1440, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1440, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 466 Transportation on H.B. No. 1181

The purpose of this measure is to protect public safety by amending the definition of a habitual offender to include a person who was convicted of habitually operating a vehicle under the influence of an intoxicant within ten years of the instant offense of operating a motor vehicle under the influence of an intoxicant.

The Department of Transportation, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, Office of the Prosecuting Attorney of the County of Kauai, Mothers Against Drunk Driving, and Hawaii Bicycling League supported this measure. The Department of the Prosecuting Attorney of the County of Maui supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Clarifying that a single prior conviction for habitually operating a vehicle while under the influence of an intoxicant within ten years of the instant offense will trigger a felony charge under section 291E-61.5(b), Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1181, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1181, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 467 Transportation on H.B. No. 131

The purpose of this measure is to establish a Task Force on Mobility Management within the Department of Health to make recommendations on establishing a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities.

Two concerned individuals supported this measure. The Executive Office on Aging supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing the makeup of the Task Force membership by:
 - (A) Removing the Chief Executive Officer of the Hawaii Primary Care Association;
 - (B) Adding an additional administrator of a federally qualified health center or rural health clinic, and specifying that one administrator shall be from a rural community and the other administrator shall be from an urban community; and
 - (C) Adding the Director of Health;
- (2) Expressly authorizing the Director of Health and the county Directors of Transportation Services to be represented by their designees;
- (3) Reducing the appropriation amount for fiscal year 2014-2015 from \$60,000 to \$30,000;
- (4) Changing its effective date to July 1, 2020, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 131, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 131, H.D. 1.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 468 Transportation on H.B. No. 980

The purpose of this measure is to enact a statewide law prohibiting the use of any mobile electronic device while operating a motor vehicle and to establish penalties for violations of the law.

The Department of Transportation, Honolulu Police Department, and two concerned individuals supported this measure. General Motors LLC and the Hawaii Transportation Association supported this measure with amendments. The Alliance of Automobile Manufacturers opposed this measure.

Your Committee has amended this measure by:

- (1) Modifying the definition of "mobile electronic device";
- (2) Changing the effective date to July 1, 2050, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 980, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 980, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 469 Transportation on H.B. No. 1189

The purpose of this measure is to clarify the prohibition on modifying the exhaust system of a motorcycle or moped to amplify or increase the noise beyond that emitted by the muffler originally installed on the motorcycle or moped.

Several concerned individuals supported this measure. The Department of Transportation supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Making the prohibition on modifying the exhaust system in a manner that will increase the noise emitted by the motorcycle or moped to beyond that emitted by the original muffler as indicated pursuant to federal regulation specific to mopeds manufactured after December 31, 2013;
- (2) Changing its effective date to January 1, 2014; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1189, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1189, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 470 Transportation on H.B. No. 736

The purpose of this measure is to provide a safe transportation alternative for the residents of Kahaluu by:

- (1) Requiring the Department of Transportation to:
 - (A) Plan, design, and construct a shared-use pathway along the mauka side of Kahekili Highway stretching between East Hui Iwa Street and Waihee Road that allows for two-directional bicycle and pedestrian traffic;
 - (B) At minimum, include in its plan a description of the geographic area affected by the planned construction; the estimated total cost of the project; the estimated timeline of the project; and any other relevant items deemed appropriate or necessary by the Director of Transportation; and
 - (C) Begin construction of the shared-use pathway by an unspecified date;
- (2) Requiring the Director of Transportation to report annually on the progress of the construction project, including findings, recommendations, and any necessary proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014 and each Regular Session thereafter until completion of the project; and
- (3) Appropriating \$1,500,000 for fiscal year 2013-2014 and fiscal year 2014-2015 for the planning, design, and construction of the shared-use pathway.

The Sierra Club, Hawaii Chapter; Kahaluu Neighborhood Board No. 29; and several concerned individuals testified in support of this measure. The Department of Transportation testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Deleting language that:
 - (A) Established minimum requirements for the plan to establish the shared-use pathway;
 - (B) Established an unspecified date by which construction of the shared-use path was to begin; and
 - (C) Required the Director of Transportation to report to the Legislature annually on the progress of the construction project, beginning with the Regular Session of 2014 and each Regular Session thereafter until completion of the project;
- (2) Converting the appropriation for the planning, design, and construction of the shared-use pathway from a program appropriation to a Capital Improvement Project appropriation;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 736, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 736, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 471 Transportation on H.B. No. 1100

The purpose of this measure is to provide regulations for the application of a wheel boot to vehicles left unattended on private and public property by:

- (1) Permitting any person or entity, excluding a towing company, that applies a wheel boot to any vehicle situated on property owned, rented, or leased by that person or entity to charge the vehicle owner or driver a fee of up to \$25 for unlocking the boot; and
- (2) Specifying that the fee for unlocking the wheel boot shall not be shared with other persons or entities and shall be subject to all applicable taxes.

Hawaii State Towing Association supported this measure. Hawaii Boot Removal and a concerned individual opposed this measure. The Department of Commerce and Consumer Affairs Office of Consumer Protection provided comments.

Your Committee notes that the Department of Commerce and Consumer Affairs Office of Consumer Protection raised concerns about this measure and indicated that the current practice of booting is illegal under section 708-827, Hawaii Revised Statutes, relating to criminal tampering in the second degree, and further notes that it has received an opinion from the Department of the Attorney General stating the same. Nonetheless, your Committee is moving this measure forward for discussion purposes. Your Committee respectfully requests that your Committee on Judiciary address this matter, if it chooses to consider this measure.

Your Committee has amended this measure by removing wheel booting requirements from existing statutes relating to towing operations and creating new statutory sections:

- (1) Authorizing the council of any county to adopt and provide for the enforcement of ordinances regulating wheel booting operations;
- (2) Imposing signage, release, notification, and insurance requirements for wheel booting operations;
- (3) Removing language that excluded a towing company from regulations applicable to booting operations; and
- (4) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1100, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1100, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 472 Human Services on H.B. No. 986

The purpose of this measure is to increase the monthly board rate for foster care services, including by making an appropriation to the Department of Human Services.

Family Programs Hawaii, Hawaii Youth Services Network, Catholic Charities Hawaii, and numerous individuals testified in support of the measure. The Department of Human Services testified in support of the intent of the measure.

Your Committee notes that the Department of Human Services provided oral testimony that it is willing to assess the feasibility of adjusting the monthly board rates to a tiered system approach that considers the type of foster placement and associated board expenses, and submit a report to the legislature.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate more discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 986, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 986, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 473 Human Services on H.B. No. 1137

The purpose of this measure is to clarify the appointment requirements, qualifications, and complaints process for child custody evaluators.

A few individuals testified in support of the measure. Two individuals supported the measure with amendments. The Judiciary offered comments on the measure.

Your Committee has amended this bill by:

- (1) Making the Judiciary, instead of the court, responsible for:
 - (A) Maintaining the publicly accessible Registry of Child Custody Evaluators; and
 - (B) Establishing a process to file a complaint against an evaluator with the Judiciary that requires the Judiciary to refer the complaint to the appropriate licensing or certifying authority and resubmit an annual report to the Legislature regarding the complaints;
- (2) Deleting the condition to be on the Registry of Child Custody Evaluators that requires evaluators to be willing to perform evaluations on an "on call basis";
- (3) Deleting the requirement that a court can only use the services of a child custody evaluator in certain complex cases;
- (4) Deleting language discussing the scope of practice of child custody evaluators; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1137, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1137, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 474 Human Services on H.B. No. 1430

The purpose of this measure is to fund the establishment and operation of a comprehensive service center for the deaf, hard of hearing, and deaf-blind individuals by appropriating funds to the Department of Human Services.

The Deaf and Hard of Hearing Advisory Board, Aloha State Association of the Deaf, and numerous individuals testified in support of the measure. The Division of Vocational Rehabilitation of the Department of Human Services, the Disability and Communication Access Board, and several individuals testified in support of the intent of the measure.

Your Committee recognizes that prior bills have attempted to effectuate the purpose of this measure but due to technical failures have not passed out of committee. After receiving strong expressions of community support for the establishment of a comprehensive service center, your Committee has amended this measure to achieve this common goal.

Your Committee has amended this measure by:

- (1) Including specific dollar amounts for appropriations for the establishment and operational costs of a comprehensive service center; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1430, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1430, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 475 Human Services on H.B. No. 1244

The purpose of this measure is to further establish grandparents' visitation rights by:

- (1) Authorizing the court to award reasonable visitation rights to grandparents if the denial of reasonable visitation rights would cause significant harm to the child;
- (2) Establishing the presumption that a parent's decision regarding visitation is in the best interest of the child;
- (3) Allowing the presumption to be rebutted by a preponderance of the evidence that denial of reasonable visitation rights would cause significant harm to the child; and
- (4) Authorizing the court to consider various factors in awarding visitation to grandparents.

Westside Service Provider Network supported this measure. The American Civil Liberties Union of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1244 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 476 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1024

The purpose of this measure is to encourage ocean and beach safety by making permanent certain liability protections provided to lifeguards and the counties and the State that provide lifeguard services on the beach or in the ocean.

The Department of the Attorney General, the Department of Land and Natural Resources, the City and County of Honolulu, the City and County of Honolulu Emergency Services Department, two individual councilmembers of the Maui County Council, and the Hawaiian Lifeguard Association provided testimony in support of this measure. The Hawaii Association for Justice provided testimony in opposition to this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1024 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Coffman and Lee.

SCRep. 477 Agriculture/Water & Land on H.B. No. 484

The purpose of this measure is to protect taro growing lands and structures from development by designating such lands as special agricultural lands restricted for specific uses.

Occupy Monsanto, Respiratory & Environmental Disabilities Association of Hawaii, and numerous individuals testified in support of this measure. The Department of Land and Natural Resources and the Taro Security and Purity Task Force provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the special agricultural land designation for ancient taro lands refers to ancient wetland taro lands;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 484, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 484, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 478 Health/Public Safety on H.B. No. 668

The purpose of this measure is to transfer the State's medical use of marijuana program from the Department of Public Safety to the Department of Health.

The Department of Public Safety, the Community Alliance on Prisons, The Libertarian Party of Hawaii, Drug Policy Forum of Hawaii, Drug Policy Action Group, American Civil Liberties Union of Hawaii, Americans for Safe Access, Big Island Chapter, and numerous individuals supported this measure. The City and County of Honolulu Department of the Prosecuting Attorney, County of Hawaii Police Department, County of Maui Police Department, City and County of Honolulu Police Department, and an individual opposed this measure. The Department of Health, Department of Human Resources Development, and several individuals commented on this measure.

Your Committees have amended this measure by:

- (1) Eliminating provisions regarding the registration and written certification requirements for medical marijuana;
- (2) Specifying that the transfer of agency jurisdiction and responsibilities of the medical use of marijuana program under this measure must occur no later than June 30, 2014;
- (3) Requiring the Department of Public Safety and the Department of Health to develop a plan regarding the agency jurisdiction and responsibility transfer, and to submit a report on the transfer, which includes the plan and an implementation timeline, to the Legislature prior to the Regular Session of 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 668, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 668, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Ichiyama, Jordan, Yamane and McDermott.

SCRep. 479 Health/Human Services on H.B. No. 1432

The purpose of this measure is to enhance access to long-term care and support services for older adults, individuals with disabilities, and family caregivers by appropriating funds for the Executive Office on Aging to support a statewide aging and disability resource center with sites in each county.

The Executive Office on Aging, Policy Advisory Board for Elder Affairs, Healthcare Association of Hawaii, AARP, and several individuals supported this measure. The Department of Health opposed this measure. An individual commented on this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1432, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1432, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 480 Labor & Public Employment/Consumer Protection & Commerce on H.B. No. 1459

The purpose of this measure is to authorize the State to form the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to more effectively manage the administration and financing of the current and potential future employee health benefit obligations of the State and county governments.

The Representative from the State House District 30 testified in support of this measure with amendments. The Department of Commerce and Consumer Affairs, Department of Human Resources Development, State Procurement Office, and Department of Budget and Finance provided comments on this measure.

Your Committees have amended this measure by:

- (1) Amending the purpose clause to:
 - (A) Update the current unfunded liabilities for public employee health benefits to between \$15 and \$17 billion; and
 - (B) Clarify that going forward, the commitment to fund the premiums will be from the Board of Directors of the captive insurance company, who shall comprise representatives of public employers and employees;
- (2) Requiring that the board of the captive insurance company shall require employer contributions if the reserve fund falls below \$1,500,000,000;
- (3) Adding language that creates the Hawaii employer-union health benefits trust fund captive insurance company minimum capital and surplus account;
- (4) Clarifying the language concerning the transfer of employees in order to protect the rights and benefits of the employees and officers being transferred to the Hawaii employer-union health benefits trust fund captive insurance company; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully request that the Committee on Finance examine the concerns raised by the Department of Commerce and Consumer Affairs, should it decide to consider this measure.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1459, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1459, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll, Har, Ito and Yamashita.

SCRep. 481 Labor & Public Employment/Health on H.B. No. 891

The purpose of this measure is to establish price caps within the Hawaii workers' compensation insurance system for prescription drugs, including repackaged drugs and compound medications.

The Department of Human Resources Development, Department of Labor and Industrial Relations, Department of Human Resources of the City and County of Honolulu, Hawaii Insurers Council, GEICO, The Chamber of Commerce of Hawaii, ILWU Local 142, RxDevelopment, Solera Integrated Medical Solutions, and two concerned individuals supported this measure. CorVel Corporation and Work Injury Medical Association of Hawaii supported the intent of this measure. Property Casualty Insurers Association of America supported this measure with amendments. State Farm Mutual Automobile Insurance Company opposed this measure. Automated HealthCare Solutions provided comments.

Your Committees have amended this measure by:

- (1) Providing that the formula for calculating the price for a repackaged or relabeled drug does not apply where the insurance carrier and the specific provider seeking reimbursement have directly contracted between one another for a lower reimbursement amount;
- (2) Specifying a formula for calculating the price for a generic drug;
- (3) Limiting physician dispensing of repackaged prescription medications to the initial visit only and to a 30-day supply;
- (4) Including a two-year sunset provision;
- (5) Changing the effective date to July 1, 2113, to promote further discussion; and
- (6) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 891, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 891, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Jordan and Kobayashi.

SCRep. 482 Consumer Protection & Commerce on H.B. No. 837

The purpose of this measure is to support effective enforcement of the Money Transmitter Act, including the supervision, regulation, and examination of money transmitter licensees under the Act, by, among other things:

- (1) Authorizing the Commissioner of Financial Institutions to require licensees to register with the Nationwide Mortgage Licensing System in order to facilitate licensing, oversight, and regulation;
- (2) Establishing procedures that allow licensees to voluntarily surrender their licenses;
- (3) Amending the bond requirement and fee and penalty structure applicable to licensees; and
- (4) Amending certain reporting requirements for licensees.

The Department of Commerce and Consumer Affairs supported this measure.

Your Committee recognizes the benefits of this measure in supporting effective enforcement and regulation of money transmitters. However, your Committee respectfully requests that the effect of this measure on small business be considered as the measure moves through the legislative process.

Upon consideration, your Committee has amended this measure by:

- (1) Changing the fee amounts for initial and renewed applications, penalties, and other charges related to money transmitter licensure to unspecified amounts;
- (2) Eliminating the authority of the Commissioner of Financial Institutions to waive or modify the requirements in the Money Transmitter Act or establish new requirements in order to participate in the Nationwide Mortgage Licensing System;
- (3) Changing the effective date to July 1, 2112, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 837, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 837, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.
(Representatives Cabanilla and McDermott voted no.)

SCRep. 483 Consumer Protection & Commerce on H.B. No. 839

The purpose of this measure is to provide meaningful oversight of mortgage services by, among other things:

- (1) Authorizing the Commissioner of Financial Institutions to conduct examinations and investigations that do not require initiation by a consumer complaint; and
- (2) Adjusting the fees for mortgage servicer licensees registering through the Nationwide Mortgage Licensing System.

The Department of Commerce and Consumer Affairs provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision generally authorizing the Commissioner of Financial Institutions to conduct investigations and examinations and access, receive, and use any books, accounts, records, files, documents, information, or evidence that the Commissioner deems relevant to the inquiry or investigation, regardless of the location, possession, control, or custody of the documents, information, or evidence;
- (2) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 839, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 839, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.
(Representative McDermott voted no.)

SCRep. 484 Consumer Protection & Commerce on H.B. No. 1194

The purpose of this measure is to repeal the temporary suspension of the general excise tax exemption on amounts deducted from the gross income of subcontractors that was imposed by Act 105, Session Laws of Hawaii 2011.

The Chamber of Commerce of Hawaii; the General Contractors Association of Hawaii; the Sheet Metal Contractors Association; the Pacific Resource Partnership; the Electrical Contractors Association of Hawaii; the Plumbing and Mechanical Contractors Association of Hawaii; the Tile Contractors Association of Hawaii; Oahu Air Conditioning Service, Inc.; Royal Contracting Co., Ltd.; Build Pacific General Contractor LLC; Koga Engineering and Construction, Inc.; Jack Endo Electric Inc.; Electricians, Inc.; HSI Mechanical, Inc.; S&M Sakamoto, Inc.; Weston Solutions, Inc.; Pioneer Contracting Co., Ltd.; Grace Pacific Corporation; Oahu Plumbing and Sheet Metal, Ltd.; Electrical Contractors Hawaii; Zelinsky Company; Hawaiian Dredging Construction Company, Inc.; Charles Pankow Builders, Ltd.; LYZ, Inc.; Constructors Hawaii Inc.; Nordic PCL Construction, Inc.; Kokea Construction and Consultants, Inc.; William C. Loeffler Construction, Inc.; Ralph S. Inouye Co., Ltd.; Forest City Hawaii; Healy Tibbitts Builders, Inc.; Oahu Construction and Consultants; Waltz Engineering, Inc.; Dorvin D. Leis Co., Inc.; King & Neel, Inc.; Jack Wolfe Insurance, Inc.; Alan Shintani, Inc.; Commercial Shelving, Inc.; and Complete Construction Services Corp. testified in support of this measure. The Department of Taxation and the Subcontractors Association of Hawaii testified in opposition to this measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that, in response to a weak state economy, Act 105, Session Laws of Hawaii 2011, temporarily suspended various general excise and use tax exemptions from July 1, 2011, to June 30, 2013. One of the exemptions that were suspended was the general excise tax exemption on amounts deducted from the gross income of subcontractors. Your Committee notes that the suspension of this general excise tax exemption has not resulted in increased revenues and, as a result, has caused the Council on Revenues to adopt reduced estimates of revenue gains attributable to Act 105. Your Committee also finds that the suspension of the subcontractors' exemption has made it difficult for small contractors to compete with large contractors. This measure levels the playing field and lets all contractors compete on an equal basis. Your Committee respectfully urges the Committee on Finance, should it decide to support reinstatement of the subcontractors' exemption, to consider some form of broad based plan to increase revenue.

Your Committee has amended this measure by changing the effective date to January 1, 2112, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1194, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.
(Representative McDermott voted no.)

SCRep. 485 Consumer Protection & Commerce on H.B. No. 329

The purpose of this measure is to narrow the scope of gross proceeds to which the general excise tax exemption for certain scientific contracts with the United States applies.

The Department of Taxation testified in support of this measure. A private individual testified in opposition to this measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the general excise tax exemption for scientific contracts with the United States was intended to allow local contractors

to compete with out-of-state entities for scientific contracts with federal facilities. However, the exemption has created such an administrative burden for the Department of Taxation that ten per cent of the Department's audit staff is being used to evaluate claims for the exemption. Your Committee further finds that amending the exemption to follow parameters established by section 41 of the Internal Revenue Code would allow the Department to more efficiently administer the exemption.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 329 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.
(Representative McDermott voted no.)

SCRep. 486 Consumer Protection & Commerce on H.B. No. 893

The purpose of this measure is to establish limitations on the uses of and the balance of moneys in the dietitian licensure special fund.

More specifically, this measure:

- (1) Allows for no more than \$30,000 of the special fund to be used during any fiscal year for activities associated with administering the licensure program;
- (2) Requires unexpended moneys in the dietitian licensure special fund in excess of \$35,000 at the end of each fiscal year to be deposited into the general fund; and
- (3) Requires the Department to report annually to the Legislature on the status of the special fund.

Testimony in support of this measure was submitted by the Hawaii Dietetic Association.

Your Committee finds that dietitians encourage the health and well-being of the people of the State and the licensure of dietitians has enabled consumers to identify and distinguish qualified nutrition professionals. Accordingly, your Committee believes that there is a public interest in continuing the dietitians licensure program. Your Committee finds that allowing the use of moneys in the dietitian licensure special fund to pay administrative expenses of the program will contribute to its continued success, and this measure will clarify the allowable expenditure from the special fund.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 893 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.

SCRep. 487 Consumer Protection & Commerce on H.B. No. 1149

The purpose of this measure is to protect the public against health and safety hazards and to preserve the natural beauty of Hawaii by establishing standards and assurances of adequate financial resources for the safe and proper decommissioning of wind energy facilities at the end of their useful lives.

The Division of Consumer Advocacy testified in support of this measure. Tawhiri Power, LLC, testified in support of the intent of this measure. The Department of Business, Economic Development, and Tourism provided comments on this measure.

Your Committee has amended this measure by specifying that a wind energy facility, existing on the effective date of this measure, with an existing lease or other agreement that contains provisions for the decommissioning of the wind energy facility shall not be subject to the decommissioning provisions of this measure. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1149, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1149, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cachola, Har, Ito and Thielen.

SCRep. 488 Consumer Protection & Commerce on H.B. No. 843

The purpose of this measure is to require the licensing of physical therapist assistants.

Your Committee received testimony in support of this measure from Tripler Army Medical Center, the Hawaii Chapter of the American Physical Therapy Association, the Board of Physical Therapy, the Queen's Medical Center, the Occupational Therapy Association of Hawaii, Ho'okahi Leo: Physical Therapist Assistants of Hawaii, and thirty-one individuals.

Your Committee finds that Hawaii is the only state that does not regulate physical therapy assistants by means of licensure or certification. Your Committee notes that Medicare requires licensed personnel to perform all physical therapy treatment. Consequently, physical therapy assistants trained and residing in the State must travel to another jurisdiction to obtain a license necessary for employment in Hawaii facilities that treat Medicare patients. This unnecessary burden causes some properly trained physical therapy assistants to forgo obtaining a license or remain on the mainland after obtaining a license, causing a drain on skilled physical therapy assistants in Hawaii and compounding the current shortage of skilled physical therapy assistants. Your Committee finds that licensure of physical therapy assistants will help to address the personnel shortage while also protecting the public by providing definite guidelines for regulation, increasing accountability, and providing a framework for disciplinary action by the Board of Physical Therapy.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 843, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.

SCRep. 489 Consumer Protection & Commerce on H.B. No. 154

The purpose of this measure is to authorize the Chairperson of the Board of Agriculture to establish a two-year industrial hemp remediation pilot program. This measure also appropriates funds for the program.

Testimony in support of this measure was received from the American Civil Liberties Union, Pacific Biodiesel Technologies, and several concerned individuals. Testimony in opposition to the measure was received from the Maui Police Department. Comments on the measure were received from the Department of Public Safety and the Department of Agriculture.

Your Committee finds that with its multiple growing seasons, Hawaii is in a unique position to do research on hemp for phytoremediation. Research that will help identify the varieties of hemp best suited to remediation of contaminated soil serves the interests of the State and the nation as a whole.

Your Committee also finds that Hawaii stands singularly situated to demonstrate and promote the re-introduction of industrial hemp as an alternative crop to meet the needs of our nation for energy, food, fiber, and construction materials. The value of industrial hemp feedstock is immense.

Your Committee notes that, in testimony, it was estimated that it would cost \$60,000 to start operation of the phytoremediation pilot project. Thus, it is the hope of your Committee that the Committee on Finance will thoroughly examine the financial implications of this measure, including the impact of expanding the pilot project to assess the viability of industrial hemp as a biofuel feedstock.

Accordingly, your Committee has amended this measure by:

- (1) Extending the scope of the pilot program to include the viability of industrial hemp as a biofuel feedstock; and
- (2) Changing the effective date of the measure to July 1, 2112, to promote continued discussion of the matter.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 154, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 154, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.

SCRep. 490 Consumer Protection & Commerce on H.B. No. 838

The purpose of this measure is to clarify licensure requirements; adjust fees for mortgage loan originators and mortgage loan originator companies; and establish fees for mortgage servicer companies that conduct mortgage loan origination activities.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Association of Mortgage Brokers provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing all adjusted fees for mortgage loan originators and mortgage loan originator companies to an unspecified amount;
- (2) Changing all fees established for mortgage servicer companies that conduct mortgage loan origination activities to an unspecified amount;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 838, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 838, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.
(Representative McDermott voted no.)

SCRep. 491 Consumer Protection & Commerce on H.B. No. 24

The purpose of this measure is to encourage mediation in condominium settings by dedicating portions of the condominium education trust fund to support the mediation of condominium-related disputes.

The Hawaii Chapter of Community Associations Institute Legislative Action Committee and two individuals testified in support of this measure. The Hawaii Real Estate Commission testified in opposition of this measure. The State of Hawaii Judiciary and an individual provided comments on this measure.

Your Committee defers to the Committee on Finance regarding the necessary amounts to be appropriated from the condominium education trust fund for condominium-related mediation to effectuate the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting the words "community-based and professional" from the description of mediation services;
- (2) Changing to unspecified the per unit fee amounts established to fund the mediation services;
- (3) Authorizing the establishment of additional fee amounts by rules;
- (4) Changing its effective date to July 1, 2013; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 24, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 24, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll and Har.

SCRep. 492 Agriculture/Water & Land on H.B. No. 485

The purpose of this measure is to support Hawaii's agricultural industry by authorizing the Director of Finance to issue general obligation bonds to fund capital improvements for the former Galbraith Estate lands.

The Land Use Research Foundation, Local Food Coalition, and the Hawaii Farm Bureau Federation testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 485, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 485, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 493 Agriculture/Water & Land on H.B. No. 1263

The purpose of this measure is to finance improvements to various irrigation systems by authorizing the Director of Finance to issue general obligation bonds for specified projects.

The Agribusiness Development Corporation, Maui County Farm Bureau, Ulupono Initiative, Hawaii Farm Bureau Federation, Hawaii Crop Improvement Association, Hawaii Cattlemen's Council, and one individual testified in support of this measure. The Department of Agriculture and Department of Budget and Finance submitted comments.

Your Committees have amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1263, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1263, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 494 Judiciary on H.B. No. 148

The purpose of this measure is to protect law enforcement animals by establishing criminal offenses that address varying levels of injury caused to these animals. Specifically, this measure:

- (1) Makes it a felony to intentionally or knowingly cause the death or substantial bodily injury of a law enforcement animal while the animal is engaged in its law enforcement or corrections duties;
- (2) Makes it a misdemeanor to intentionally or knowingly cause the animal injury or pain or to recklessly cause the death or substantial bodily injury of a law enforcement animal while the animal is engaged in its law enforcement or corrections duties;
- (3) Provides for an affirmative defense to a prosecution for the offense of cruelty to law enforcement animals; and

- (4) Requires restitution to the agency or owner of the law enforcement animal that has been injured or killed.

The Department of Public Safety, Honolulu Police Department, Animal Rights Hawaii, and a concerned individual supported this measure. The Office of the Public Defender opposed this measure.

Your Committee has amended this measure by:

- (1) Clarifying the offense of cruelty to a law enforcement animal in the second degree by removing causing pain as an actionable violation;
- (2) Clarifying the definition of "law enforcement animal";
- (3) Adding definitions of "bodily injury" and "substantial bodily injury"; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 148, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 148, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 495 Judiciary on H.B. No. 360

The purpose of this measure is to amend the Pilot Comprehensive Public Funding Program (Program) for elections to the Hawaii County Council established under Act 244, Session Laws of Hawaii 2008, by:

- (1) Limiting the number of council candidates per election cycle eligible for the Program to twenty-five; and
- (2) Changing the candidate funding formula for the Program to be the average of the amount, reduced by 10 percent, that was spent by winning, program-funded council candidates in the previous two election cycles.

Two concerned individuals supported this measure. The Campaign Spending Commission offered comments on the measure.

Your Committee has amended this measure by:

- (1) Reducing the limit of council candidates per election period eligible for the Program to fifteen;
- (2) Appropriating an unspecified amount to fund the Program; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 360, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 360, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 496 Judiciary on H.B. No. 369

The purpose of this measure is to create a task force to investigate and develop plans to address the risk of residential kitchen fires.

The Department of Commerce and Consumer Affairs; State Fire Council; Kauai Fire Department; Hawaii Fire Chiefs Association; Plumbers and Fitters Union, Local 675; and Plumbing and Mechanical Contractors Association of Hawaii supported this measure. The Building Industry Association of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Including in the task force membership representatives from the International Brotherhood of Electrical Workers Local Union 1186 and a technical expert on fire suppression systems; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 369, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 369, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Lee, Wooley and McDermott.

SCRep. 497 Judiciary on H.B. No. 853

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to permit the appropriation of public funds for private early childhood education programs to assist the State to meet its goal to develop a comprehensive early learning system.

The Governor, Department of the Attorney General, Department of Education, Department of Health, Department of Human Services, Department of Public Safety, Department of the Prosecuting Attorney of the City and County of Honolulu, the Education Division at Chaminade University of Honolulu, Child and Family Service, Good Beginnings Alliance, Harold K. L. Castle Foundation, Hawaii Association for the Education of Young Children, Hawaii Association of Independent Schools, Hawaii Business Roundtable, Hawaii P-20, Kamehameha Schools, Partners In Development Foundation, and three concerned individuals supported this measure. The Hawaii State Teachers Association opposed this measure. IMUAlliance, the Teacher Education Coordinating Committee, League of Women Voters Hawaii, and several concerned individuals offered comments on this measure.

Your Committee notes that the Department of the Attorney General testified that private, sectarian organizations would be required to remove religious material, information, and symbols from their educational facilities, materials, and curricula to qualify to receive public funds.

Your Committee has amended this measure by deleting the following passage from Section 3, "to help the State meet its goal of providing an early learning system for the children of Hawaii[.]" The section is amended to read:

Section 3. The question to be printed on the ballot shall be as follows:

"Shall the appropriation of public funds be permitted for the support or benefit of private early childhood education programs, as provided by law?"

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 853, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 853, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Lee, Wooley and McDermott.

SCRep. 498 Judiciary on H.B. No. 864

The purpose of this measure is to assist families in establishing a solid educational foundation for their children by establishing a statewide Early Childhood Education Program upon ratification of a proposed amendment to Article X, Section 1, of the Hawaii State Constitution which would permit the appropriation of public funds for private early childhood education programs.

Governor Neil Abercrombie, the Department of the Attorney General, Department of Education, Department of Health, Department of Human Services, Department of Public Safety, University of Hawaii, Department of the Prosecuting Attorney of the City and County of Honolulu, Aloha United Way, Chaminade University of Honolulu, Child & Family Service, Good Beginnings Alliance, Friends of the Children's Justice Center of Maui, Harold K.L. Castle Foundation, Hui For Excellence in Education, Kamehameha Schools, Hawaii Association of Independent Schools, and numerous concerned individuals submitted testimony in support. The Hawaii State Teachers Association and a few concerned individuals submitted testimony in opposition. The 'Aha Pūnana Leo and IMUAlliance offered comments.

Your Committee has amended this measure by:

- (1) Including in Section 1 a reference to House Bill 853 (2013) that proposes to amend Article X, Section 1 of the Hawaii State Constitution; and
- (2) Clarifying that the Executive Office on Early Learning may contract with private providers of early childhood education for the Early Childhood Education Program by recognizing these providers as "eligible providers".

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 864, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 864, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Lee, Wooley and McDermott.

SCRep. 499 Health on H.B. No. 251

The purpose of this measure is to create a \$1 fee for certified copies of birth, marriage, divorce, or death certificates issued by the Department of Health for certified copies sought as proof of an individual's Native Hawaiian ancestry for certification with the Native Hawaiian Roll Commission or for an individual's inclusion in the Office of Hawaiian Affairs Registry.

The Office of Hawaiian Affairs and two individuals submitted testimony supporting the measure. The Department of Health and Center for Hawaiian Sovereignty Studies submitted testimony opposing the measure.

Your Committee has amended this measure by:

- (1) Leaving the fee amount unspecified;
- (2) Amending the effective date of this measure to July 1, 2050, to encourage further discussion; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 251, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 251, H.D. 2.

Signed by all members of the Committee except Representative Carroll.

SCRep. 500 Health on H.B. No. 914

The purpose of this measure is to address adult and child obesity in the State by:

- (1) Establishing the Hawaii Interagency Obesity Prevention Council within the Department of Health; and
- (2) Appropriating funds out of the Obesity Prevention Special Fund to support child and adult obesity prevention programs.

The University of Hawaii at Manoa College of Health Sciences and Social Welfare, Hawaii Pacific Health, Hawaii Association of Independent Schools, Hawaii Medical Service Association, Office of Hawaiian Affairs, and several individuals supported this measure. The Department of Health supported this measure with amendments. Several individuals submitted comments.

Your Committee notes that obesity increases the risk of many health conditions, among them, coronary heart disease, stroke, high blood pressure, and diabetes. The increasing prevalence of diabetes in adults and children and the seriousness of this disease make it one of the important issues for the Hawaii Interagency Obesity Prevention Council to consider. It is your Committee's intent that the Hawaii Interagency Obesity Prevention Council serve as an opportunity for community input and greater discussion among stakeholders in addressing obesity and its attendant health problems, such as diabetes and other diseases.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 914, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 914, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 501 Health on H.B. No. 79

The purpose of this measure is to amend the criteria for recognition as an advanced practice registered nurse who may practice in the State by:

- (1) Requiring the Board of Nursing to recognize the standards in the National Council of State Boards of Nursing consensus model for advanced practice registered nurse (APRN) regulation: licensure, accreditation, certification, and education; and
- (2) Changing the degree requirement for APRN recognition from a master's degree to an accredited graduate-level education program that prepares the nurse for certain, enumerated clinical roles.

The Hawaii State Center for Nursing; Healthcare Association of Hawaii; Hawaii Pacific Health; Hawaii Association of Professional Nurses; American Organization of Nurse Executives, Hawaii Chapter; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and several individuals supported this measure. The Board of Nursing, University of Hawaii at Manoa School of Nursing, University of Hawaii at Hilo School of Nursing, and several individuals supported the intent of this measure.

Upon consideration, your Committee has amended this measure by:

- (1) Eliminating the requirement that the Board of Nursing recognize the standards in the National Council of State Boards of Nursing consensus model for APRN regulation: licensure, accreditation, certification, and education;
- (2) Clarifying that the completed accredited graduate-level education program for APRN recognition prepares the nurse for one of the four recognized APRN nurse roles, rather than enumerating specific clinical roles; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 79, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 79, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 502 Health on H.B. No. 654

The purpose of this measure is to support effective workforce planning and policymaking through improved data collection in the health care industry by requiring:

- (1) The Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division to:
 - (A) Collaborate with the Center for Nursing to enable the Center for Nursing to obtain nursing-related data, including workforce data of nurses licensed in the State; and
 - (B) Provide nurse licensee contact information, including e-mail addresses, to the Center for Nursing, through a Memorandum of Understanding; and
- (2) Each applicant, as part of the license renewal process for nursing, to complete a survey developed by the Center for Nursing.

The Hawaii Association of Professional Nurses, Healthcare Association of Hawaii, and several individuals supported this measure. The Hawaii State Center for Nursing, Board of Nursing, Office of Information Practices, and several individuals supported this measure with amendments. A concerned individual opposed this measure. The Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs and the University of Hawaii at Manoa School of Nursing and Dental Hygiene submitted comments.

Your Committee has amended this measure by:

- (1) Clarifying the provision of data for specified purposes to reflect that the Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division is required to provide nurse licensee contact information, including e-mail addresses, to enable the Center for Nursing to fulfill certain purposes, which include the collection and analysis of data; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 654, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 503 Health on H.B. No. 658

The purpose of this measure is to take proactive measures to prevent tooth decay among children by requiring:

- (1) The Director of Health to participate in a national database managed by the federal Centers for Disease Control and Prevention and the Association of State and Territorial Dental Directors;
- (2) The Department of Health to:
 - (A) Establish and administer a school-based dental sealant program in a high-need demonstration school;
 - (B) Determine a plan to establish a statewide school-based dental sealant program; and
 - (C) Submit a report to the Legislature prior to the 2015 Regular Session on its efforts to prioritize prevention of tooth decay among children in the State; and
- (3) Appropriate funds to establish and administer the school-based dental sealant program in a high-need demonstration school including plans to implement the program statewide.

The Department of Education, State Council on Developmental Disabilities, American Dental Hygienists' Association, and several individuals supported this measure. The Department of Health, Hawaii Primary Care Association, Waianae Coast Comprehensive Health Center, and an individual supported the intent of this measure. Hawaii Dental Association opposed this measure. The Board of Dental Examiners and two individuals provided comments.

Your Committee encourages the Department of Health to partner with community health centers to increase children's access to dental care.

Upon consideration, your Committee has amended this measure by:

- (1) Deleting the requirement that the Director of Health participate in the National Oral Health Surveillance System;
- (2) With respect to establishing and administering a school-based dental sealant program, requiring a dentist to be available for consultation; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 658, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 658, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 504 Health on H.B. No. 266

The purpose of this measure is to enhance language access in Hawaii for those individuals whose primary language is not English. Specifically, this bill:

- (1) Requires the Office of Language Access, in collaboration with other state agencies, to implement a Multilingual Website Pilot Project that will improve language access to information provided online for limited English proficient persons seeking information about government and government-funded services in the State of Hawaii;
- (2) Requires the Executive Director of the Office of Language Access to administer a Statewide Language Access Resource Center that will address the interpretation and translation needs of the state; and
- (3) Provides appropriations for the Statewide Language Access Resource Center and the Multilingual Website pilot project.

The Hawaii Public Housing Authority, Department of Human Resources Development, Hawaii Civil Rights Commission, Catholic Charities Hawaii, Congress of Visayan Organizations, and a few concerned individuals testified in support of this bill. The Office of Language Access and Hawaii Interpreter Action Network testified in support with amendments. The Department of Health and the Office of Information Management and Technology provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the roster of available language interpreters and translators maintained by a Statewide Language Access Resource Center list any of the qualifications and credentials of interpreters or translators;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 266, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 266, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 505 Health on H.B. No. 576

The purpose of this measure is to provide enhanced executive and legislative oversight of loans from foreign nationals under the Immigrant Investor Pilot Program (Pilot Program) obtained by the Hawaii Health Systems Corporation (Corporation).

More specifically, this measure:

- (1) Requires the Corporation to obtain written approval of the Governor prior to executing any agreement to obtain a loan under the Pilot Program;
- (2) Stipulates that the Corporation only expend the proceeds of the loan for a project if the Legislature has made an appropriation of funds in the amount of the loan for that project; and
- (3) Requires the Corporation to request the amount necessary to repay the loan in its annual budget submitted to the Governor.

The Department of Budget and Finance testified in support of this measure. The Hawaii Health Systems Corporation submitted comments on this measure.

Your Committee finds that, currently, the Corporation has the authority to enter into financing agreements, including agreements with foreign nationals, without approval of the Director of Finance and Attorney General, provided that any financing agreement is less than \$5,000,000 and the aggregate in any fiscal year does not exceed \$25,000,000. This measure would establish proper oversight by the Executive and Legislative branches of loans received by the Corporation from foreign nationals under the Immigrant Investor Pilot Program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 576, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 506 Health on H.B. No. 651

The purpose of this measure is to update the Uniform Controlled Substances Act in chapter 329, Hawaii Revised Statutes, to allow the electronic prescribing of certain controlled substances, consistent with federal law.

Testimony in support of this measure was submitted by the Department of Health, Department of Public Safety, CVS Caremark, Walgreen Co., Hawaii Medical Association, Kaiser Permanente Hawaii, Hawaii Medical Service Association, and one concerned individual.

Your Committee finds that this measure will align Hawaii's law with federal provisions that allow medical practitioners to electronically prescribe

controlled substances. Your Committee believes that electronic prescriptions will provide a secure means of transmitting prescriptions directly to patients' pharmacies and ensuring the timely delivery of medications to patients. Your Committee also finds that the use of electronic prescriptions will improve drug therapy, provide better medical outcomes, and aid in management of overall healthcare costs.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 651 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 507 Consumer Protection & Commerce on H.B. No. 676

The purpose of this measure is to prohibit discrimination based on lawful source of income in real estate transactions, including advertisements for available rental units.

The Hawaii Civil Rights Commission testified in support of this measure. The National Association of Residential Property Managers; Hawaii Association of REALTORS; Hawaii Bankers Association; Cornerstone Properties; Hawaii Financial Services Association; Lui & Young Realty, Inc.; Callahan Realty, Ltd.; and two individuals testified in opposition to this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Applying prohibitions against discrimination based on lawful source of income to the Residential Landlord-Tenant Code, which limits the measure to the rental of residential real property only;
- (2) Adding two new definitions for "rental transaction" and "source of income" to the Residential Landlord-Tenant Code;
- (3) Changing its effective date to July 1, 2112, for the purpose of encouraging further discussion; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

Your Committee respectfully requests that the Committee on Judiciary investigate the barriers to successful rental transactions faced by owners and property managers in renting to tenants who receive section 8 housing assistance.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 676, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 676, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Carroll and Har.

SCRep. 508 Consumer Protection & Commerce on H.B. No. 875

The purpose of this measure is to clarify and strengthen the law relating to exemptions from child care program licensing requirements.

Specifically, the measure:

- (1) Clarifies that child care programs licensed or certified by the United States Department of Defense that are located on federal property are exempt from Department of Human Services child care licensing requirements; and
- (2) Requires child care programs licensed by the Hawaii Council of Private Schools to apply for and receive an exemption to the Department of Human Services child care licensing requirements.

Your Committee received testimony in support of this measure from the Department of Human Services, Executive Office on Early Learning, and Hawaii Association of Independent Schools.

The Hawaii Association for the Education of Young Children submitted testimony in opposition to this measure.

Your Committee finds that the schools and child care programs licensed or certified by the United States Department of Defense are located on federal property and are beyond the Department of Human Services' jurisdiction over child care facilities. Requiring state licensing of these facilities presents an administrative burden that provides no significant protection to the public.

Your Committee further finds that authorizing child care programs licensed by the Hawaii Council of Private Schools to apply for an exemption to the Department of Human Services child care licensing requirements, by demonstrating comparable or more stringent licensing standards, will ensure high quality programs for Hawaii's youth while increasing the efficiency of the Department of Human Services.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 875 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 509 Consumer Protection & Commerce on H.B. No. 111

The purpose of this measure is to permit the development of sustainable living research sites that shall be exempt from certain state and county

regulations but shall remain subject to county approval and oversight in order to stimulate research and development of sustainable living ideas, concepts, and innovations.

Hawaii Sustainable Communities Alliance, Backpackers Farming Network, La'akea Permaculture Education Programs, Koa'e Community Association, Doorway Into Light, VGS, Hawaii Appleseed Center for Law and Economic Justice, Root and Rise, and numerous individuals testified in support of this measure. The Office of Hawaiian Affairs, Department of Planning and Permitting, and several individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying within the definition of "sustainable living research permit" that the permit is issued by the planning department;
- (2) Amending the definition of "sustainable living research site" to add requirements for size and compliance with the county permit, federal laws, and federal regulations;
- (3) Specifying that the planning department has the discretion to assess an application fee;
- (4) Requiring the planning department to forward a copy of a complete application to the Department of Health within ten days of receipt of the application;
- (5) Requiring the Department of Health to submit comments to the planning department within thirty days of receipt of an application regarding the proposed sustainable research site and to make a determination as to whether the sustainable living research proposed will have a detrimental impact on the proposed research site or surrounding area;
- (6) Requiring the Department of Health to determine whether it is appropriate to grant the applicant a waiver of certain county waste water regulations;
- (7) Specifying that the sustainable living research permit process shall not allow the permittee to avoid preparing an environment assessment or environmental impact statement where such statement or assessment is otherwise required by law;
- (8) Specifying that the planning department of each county may adopt rules pursuant to chapter 91 regarding the issuance of permits pursuant to this measure;
- (9) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 111, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 111, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.

SCRep. 510 Consumer Protection & Commerce on H.B. No. 1150

The purpose of this measure is to exempt certain agreements from the requirements of section 523A-25, Hawaii Revised Statutes, regarding agreements to locate property presumed abandoned. More specifically, this measure exempts an owner's agreement with an attorney to file a claim for identified property or to contest the denial of a claim for the property.

Testimony in support of this measure was submitted by the Collection Law Section of the Hawaii State Bar Association.

Act 229, Session Laws of Hawaii 2012, limited compensation for the recovery of property presumed abandoned to ten per cent of the total value of the property. However, your Committee finds that the majority of property escheated to the Department of Finance is valued at less than \$5,000, whereas the cost to hire an attorney for even the simplest recovery action will almost always be more than ten per cent of the total value of the property.

Accordingly, your Committee finds that the ten per cent limit on compensation for recovery severely restricts the public's ability to hire an attorney to assist in the recovery of their property. Exempting agreements with attorneys from the compensation limit would provide the public with more options for the recovery of that property.

Your Committee has amended this measure by amending the effective date to July 1, 2112, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1150, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1150, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 511 Consumer Protection & Commerce/Judiciary on H.B. No. 1342

The purpose of this measure is to clarify and amend statutory law relating to the collection of delinquent accounts by the Attorney General, including:

- (1) Requiring the Attorney General to collect executive department delinquent accounts that are more than ninety days past due, except for the delinquent accounts of the Department of Taxation and the University of Hawaii;
- (2) Providing for the Attorney General to retain an unspecified percentage of moneys recovered from delinquent accounts for deposit into the newly-established Civil Recoveries Fund;
- (3) Providing for the executive departments to retain a percentage of moneys recovered by the Attorney General from respective delinquent accounts; and
- (4) Allowing the Department of Taxation, the University of Hawaii, and the Judiciary to contract with a collection agency to collect delinquent accounts.

The University of Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs and the Department of the Attorney General testified in support of the intent of this measure. The Department of Budget and Finance, Department of Agriculture, and an individual testified in opposition of this measure. The Judiciary provided comments on this measure.

Your Committees note that the various executive departments deal with delinquent accounts that are ninety days past due in various capacities and are thus affected differently by this measure, with the Department of Agriculture in particular dealing often with accounts that are ninety days past due. Should the Committee on Finance consider this measure, your Committees respectfully request that the Committee on Finance consider communicating with the various executive departments to determine the amounts collected on delinquent accounts within the ninety-day past due timeframe.

Your Committees have amended this measure by:

- (1) Authorizing any executive agency and the Judiciary to use the Attorney General's delinquent account collection service;
- (2) Removing provisions in the measure that authorize the Attorney General to review delinquent accounts and make determinations on whether or not they are uncollectible; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1342, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1342, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Har, Ito, Wooley and Thielen.

SCRep. 512 Consumer Protection & Commerce on H.B. No. 902

The purpose of this measure is to protect Hawaii's environment by including energy and dietary supplement beverage containers as containers covered under the Deposit Beverage Container Program.

The Department of Health; Sierra Club, Hawaii Chapter; and two concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Exempting a container of liquid which is deemed to be the sole item of a meal or a diet from inclusion in the Deposit Beverage Container Program; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 902, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 902, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.
(Representative McDermott voted no.)

SCRep. 513 Consumer Protection & Commerce on H.B. No. 1484

The purpose of this measure is to affirm the State's commitment to provide high-quality health care for the people of the State.

Specifically, the bill amends the structure and composition of the Hawaii Health Systems Corporation to increase flexibility for the Corporation and improve accountability and sustainability within the system.

Among other things, this measure:

- (1) Delineates the duties and powers of the Hawaii Health Systems Corporation and the regional system boards;
- (2) Makes regional chief executive officers nonvoting members of the Hawaii Health Systems Corporation board of directors;
- (3) Provides that the Hawaii Health Systems Corporation is the sole employer with collective bargaining negotiating authority;

- (4) Establishes a separate personnel system for employees hired after July 1, 2014, and separate collective bargaining units for Hawaii Health Systems Corporation employees; and
- (5) Repeals regional and executive public health facility management advisory committees.

The Hawaii State AFL-CIO and several private individuals testified in opposition to this measure. The Hawaii Health Systems Corporation submitted comments.

Your Committee has very grave concerns about moving this bill forward given the level of opposition to this measure. However, your Committee would like to afford the Chair of the Committee on Health time to work with the interested parties to see if they can come to a mutual agreement on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2012, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1484, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1484, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 514 Water & Land on H.B. No. 106

The purpose of this measure is to clarify the laws relating to geothermal resources exploration and development.

Specifically, the measure, among other things:

- (1) Repeals the amendments made by Act 97, Session Laws of Hawaii 2012, thereby:
 - (A) Allowing the counties to issue geothermal resources permits;
 - (B) Allowing the State and counties to designate geothermal resource subzones and exploratory wells; and
 - (C) Eliminating definitions distinguishing "geothermal resources exploration" and "geothermal resources development" for mining leases, resource exploration on state lands, and land classification and usage pursuant to chapters 182 and 205, Hawaii Revised Statutes;
- (2) Creates procedures for the assessment and designation of geothermal resource subzones and exploratory wells; and
- (3) Allows, subject to applicable public hearing and permitting, geothermal resource development and exploration in all state land use districts established under section 205-2, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Puna Pono Alliance, Pele Lani Farm; Pahoa Properties, LLC; UNITE HERE Local 5; Sierra Club; and over fifty individuals.

Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and three individuals.

Your Committee received comments on this measure from the Judiciary; Department of Business, Economic Development, and Tourism; Puna Geothermal Venture, Indigenous Consultants, LLC; Innovations Development Group; and two individuals.

Your Committee finds that the long-term financial and environmental well-being of the State largely depends upon the ability to properly manage the State's natural resources, including geothermal resources. While the underlying measure provided a thoughtful process to manage geothermal resources, your Committee believes that a detailed permitting process for geothermal resources development that ensures meaningful public participation and county oversight would be preferable.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting a detailed permitting process for geothermal resources development;
- (2) Explicitly authorizing the counties to establish more stringent ordinances on geothermal resources development; and
- (3) Changing its effective date to July 1, 2020, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 106, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 106, H.D. 2.

Signed by all members of the Committee except Representatives Coffman, Kawakami and Thielen.

SCRep. 515 Water & Land/Agriculture on H.B. No. 488

The purpose of this measure is to stabilize lease rates and appraisals on public lands by, among other things:

- (1) Clarifying that an employee of the Board of Land and Natural Resources who appraises public lands for sale or lease at public auction shall be qualified by the employee's relevant work experience;
- (2) Providing that the valuation of public agricultural or aquacultural land be based on the land's agricultural or aquacultural use, without regard to any value that the land might have for other purposes or uses, or to neighboring land uses;
- (3) Limiting the rent increase for lease renewals or conversions of a revocable permit to a long-term lease to increases in the consumer price index; and
- (4) Providing that for disinterested appraisals, costs greater than one year's existing rent shall be borne by the Department of Land and Natural Resources.

Hawaii Cattlemen's Council, Inc.; Hawaii Aquaculture & Aquaponics Association; Ulupono Initiative; Hawaii Farm Bureau Federation; Maui County Farm Bureau; and a concerned individual provided testimony in support of this measure. The Department of Land and Natural Resources provided testimony in opposition to this measure. The Department of Agriculture provided comments on this measure.

Your Committees have amended this measure by:

- (1) Deleting the requirement that an employee of the Board of Land and Natural Resources who appraises public lands for sale or lease at public auction shall be qualified by virtue of the employee's relevant work experience;
- (2) Deleting the provision limiting rent increases for lease renewals or conversions of revocable permits to long-term leases to the increase in the consumer price index;
- (3) Changing its effective date to July 1, 2020, for the purpose of facilitating further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 488, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 488, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 516 Water & Land/Agriculture on H.B. No. 846

The purpose of this measure is to clarify the responsibilities of and add protections for owner-builders exempt from the licensing requirements of Hawaii's contractor laws.

The Department of Commerce and Consumer Affairs, Pacific Resource Partnership, and General Contractors Association of Hawaii testified in support of this measure. The Contractors License Board, Building Industry Association of Hawaii, Subcontractors Association of Hawaii, and one individual testified in support of this measure with amendments. The Hawaii Farm Bureau Federation opposed this measure. The Hawaii Association of Realtors submitted comments.

Your Committees have amended this measure by:

- (1) Preventing owner-builders from recovering from the Contractors Recovery Fund set up in section 444-26, Hawaii Revised Statutes;
- (2) Adding an exception to the owner-builder law for agricultural structures that are exempt from the building code or do not require a building permit;
- (3) Clarifying when a licensed contractor must explain and disclose to the homeowner certain rights and information regarding the contract for services;
- (4) Adding a fee structure to fund the processing of applications and the field and investigation process regarding the owner-builder scheme; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 846, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 846, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 517 Education on H.B. No. 190

The purpose of this measure is to help mitigate truancy in the State by requiring the Judiciary to convene a working group to study methods to prevent or control truancy in elementary schools and research and develop guidelines for the establishment of a community truancy board.

The Department of Education and a concerned individual supported this bill. The Judiciary supported the intent of this measure. The Hui for

Excellence in Education supported this bill with amendments.

Your Committee has amended this measure by:

- (1) Requiring the Superintendent of Education, rather than a senior Family Court Judge appointed by the Chief Justice of the Supreme Court to convene the working group and placing it within the Department of Education;
- (2) Requiring that representatives from parent groups or community organizations focused on education or family support services be invited to serve on the working group;
- (3) Expanding the focus of guidelines for establishing a community truancy board to include the transition to intermediate or middle school;
- (4) Requiring the working group to review and use current research on truancy to inform guideline development;
- (5) Requiring the working group to consult with the program administrator of the Department of Education Peer Mediation Program; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 190, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 190, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano, Ichiyama and Takai.

SCRep. 518 Education on H.B. No. 478

The purpose of this measure is to increase access to fresh produce by Hawaii's schoolchildren by authorizing all schools to grow food in school gardens for consumption in a school meals program under specified conditions. This measure also permits nonprofit organizations to establish and administer a fresh food distribution service if a school requests such a service.

The Hawaii Educational Policy Center, Office of Hawaiian Affairs, Hawaii State Teachers Association, and a concerned individual supported this measure. The Hawaii Association of Independent Schools supported the intent of this bill. The Department of Education opposed this measure. The Department of Agriculture and The Kohala Center provided comments.

Your Committee has amended this measure by:

- (1) Inserting an unspecified appropriation for the establishment and support of school gardens and the use of food grown in those gardens for consumption in school meals programs; and
- (2) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 478, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 478, H.D. 2.

Signed by all members of the Committee except Representatives Hanohano, Ichiyama and Takai.

SCRep. 519 Education on H.B. No. 674

The purpose of this measure is to further refine Hawaii's newly nascent charter school law by, among other things, requiring charter schools to complete an annual independent financial audit, permitting charter schools to carry over up to five percent of specified appropriations, and making various housekeeping amendments to chapter 302D, Hawaii Revised Statutes.

The Board of Education and National Association of Charter School Authorizers supported this bill. The State Public Charter School Commission, Hawaii State Ethics Commission, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting provisions permitting charter schools to carry over up to five percent of any appropriation, with specified exceptions;
- (2) Clarifying that the authorization of specified actions against an employee, teacher trainee, or prospective employee is permissible if a criminal history record check indicates that the employee, teacher trainee, or prospective employee has been convicted of a crime;
- (3) Deleting provisions referring to the use of criminal history record checks of persons employed continuously by a charter school prior to July 1, 1990, because no charter school was in existence prior to 1990;
- (4) Authorizing a start-up charter school to give specified enrollment preferences as stated in the charter contract, rather than as stated in the charter school's application and as approved by the authorizer;
- (5) Authorizing a start-up charter school to give enrollment preferences to the children of the charter school's employees;

- (6) Amending the definition of "employee" under Hawaii's Standards of Conduct Law to include any person under an employment contract to provide leadership or managerial services to a charter school;
- (7) Specifying that per-pupil funding distributed to charter schools are considered expended; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 674, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 674, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 520 Economic Development & Business on H.B. No. 566

The purpose of this measure is to establish an income tax credit for qualified media infrastructure projects.

A concerned individual testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Honolulu Film Office; Tax Foundation of Hawaii; NBC Universal Media, LLC.; SHM Partners/Film Studio Group; and Island Film Group submitted comments.

Your Committee has amended this measure by leaving the amount of the tax credit unspecified.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 566, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 566, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 521 Energy & Environmental Protection/Agriculture on H.B. No. 1409

The purpose of this measure is to enhance Hawaii's energy security by providing funds to the Agribusiness Development Corporation as investment capital for research and development partnerships with entities and enterprises for zero waste biofuel production. Specifically, this measure allocates for every 15 cents of the environmental response, energy, and food security tax that is deposited into the energy security special fund and the agricultural development and food security special fund, respectively, 1.5 cents of each deposit to the Agribusiness Development Corporation.

A few individuals provided testimony in support of this measure. The Department of Agriculture, the Agribusiness Development Corporation, and the Tax Foundation of Hawaii provided comments on this measure.

Your Committees note that zero waste biofuel production may already be in receipt of additional funds if H.B. No. 857, Regular Session of 2013, is enacted as it appropriates an additional \$500,000 to the Department of Agriculture to address this issue.

Your Committees have amended this bill by:

- (1) Allocating unspecified amounts to the Agribusiness Development Corporation from the deposits of the environmental response, energy, and food security tax into the two special funds; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1409, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1409, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.
(Representative Coffman voted no.)

SCRep. 522 Energy & Environmental Protection/Health on H.B. No. 912

The purpose of this measure is to establish a special fund and fees to assist in funding the activities of the Office of Environmental Quality Control and the Environmental Council to:

- (1) Support, modernize, and maintain technology systems;
- (2) Support outreach, training, education, and research; and
- (3) Provide for the hiring of adequate staff.

The Office of Environmental Quality Control, the Environmental Council, Office of Hawaiian Affairs, Conservation Council for Hawaii, The Nature Conservancy, Sierra Club Hawaii Chapter, and an individual provided testimony in support of this measure. The Building Industry Association of Hawaii and The Chamber of Commerce of Hawaii provided testimony in opposition to this measure. Hawaii's Thousand Friends provided comments on this measure.

Your Committees have amended this measure by:

- (1) Providing that the Office of Environmental Quality Control shall not collect more than \$250,000 in filing fees in each fiscal year; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 912, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 912, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Coffman, Hanohano and Kawakami.

SCRep. 523 Human Services on H.B. No. 1375

The purpose of this measure is to revise the welfare payment system to facilitate and encourage the transition of welfare recipients from public assistance to employment by requiring:

- (1) The Department of Human Services to:
 - (A) Establish a task force to review and restructure the welfare payment structure to incentivize qualifying welfare recipients to advance in their careers while retaining their beneficiary status; and
 - (B) Re-establish the Exit and Retention Bonus Program; and
- (2) The task force to submit a report to the Legislature prior to the 2015 Regular Session on its recommendations, including recommendations for an implementation plan or legislation.

The Department of Human Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1375 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Jordan.

SCRep. 524 Human Services on H.B. No. 788

The purpose of this measure is to clarify child support enforcement reporting requirements for employers by adding the definition of a "new hire" to the statute governing new hire reporting requirements for child support enforcement to comply with amendments to the Social Security Act made by the Trade Adjustment Assistance Extension Act of 2011.

The Department of the Attorney General testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 788 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Jordan.

SCRep. 525 Human Services on H.B. No. 533

The purpose of this measure is to assist eligible homeless individuals to be reunited with family and relatives in the individuals' home state by establishing the Return-to-Home Program, administered by the Department of Human Services.

The Fair Housing Coalition and a few individuals testified in support of the measure. The Department of Human Services and Hawaii Interagency Council on Homelessness provided comments.

Your Committee has amended this measure by:

- (1) Requiring the Department of Human Services to contract with non-profit and for profit organizations or private foundations to administer the Program;
- (2) Deleting requirements that the Department of Human Services ensure the sufficient physical and mental health to endure travel for Program participants;
- (3) Creating the Return-to-Home Special Fund, making an appropriation to deposit General Fund revenues into the Special Fund, and making an appropriation of Special Fund money to the Department of Human Services for the implementation of the Program; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B.

No. 533, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Morikawa voted no.)

SCRep. 526 Human Services on H.B. No. 1298

The purpose of this measure is to provide incentives for employers to hire developmentally, intellectually, or physically disabled individuals by establishing a nonrefundable income tax credit equal to fifty percent of the qualified wages for the first six months the individual is hired.

Easter Seals Hawaii, Clubhouse International, the Community Alliance for Mental Health, the Hawaii Disability Rights Center, and numerous individuals supported this measure. The Department of Health supported the intent of this measure. The State Council on Developmental Disabilities supported this measure with amendments. The Department of Taxation and the Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1298 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Jordan.

SCRep. 527 Human Services/Consumer Protection & Commerce on H.B. No. 3

The purpose of this measure is to prevent financial abuse of elders by requiring financial institutions to report to the appropriate county police department, suspected financial abuse that is directed towards, targets, or is committed against elders.

A concerned individual supported this measure. Hawaii Credit Union League supported this measure with amendments. The Executive Office on Aging supported the intent of this measure. The City and County of Honolulu Police Department and County of Hawaii Police Department opposed this bill. Comments were received from the Department of Human Services, County of Maui Police Department, and Hawaii Bankers Association.

Your Committees have amended this measure by:

- (1) Requiring financial institutions to report suspected financial abuse of an elder to both the Department of Human Services and the appropriate county police department;
- (2) Requiring that suspected financial abuse be reported not only by telephone, but also by facsimile or any other electronic device;
- (3) Specifying that upon notification by a financial institution of suspected financial abuse:
 - (A) The Department of Human Services must determine whether it has jurisdiction over the reported elder involved; and
 - (B) The Department of Human Services and the appropriate county police department must proceed with a criminal investigation in a timely manner;
- (4) Requiring the Department of Commerce and Consumer Affairs to develop a form to be used by financial institutions or any other person to report and document incidents of suspected elder financial abuse;
- (5) Clarifying and providing more details in the definition of "financial abuse"; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har, Ito, Lee, Yamane, McDermott and Thielen.

SCRep. 528 Judiciary on H.B. No. 780

The purpose of this measure is to authorize a deputy attorney general, except for the Attorney General's First Deputy, to provide pro bono legal services at the discretion of the Attorney General.

The Department of the Attorney General and Hawaii Access to Justice Commission testified in support of this measure. The Hawaii State Ethics Commission provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that any deputy attorney general who provides pro bono legal services shall be subject to all applicable rules prescribed by the Hawaii Supreme Court pursuant to section 605-6, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 780, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 780, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Kawakami.

SCRep. 529 Judiciary on H.B. No. 443

The purpose of this measure is to prevent corruption or the appearance of corruption in state government by prohibiting a lobbyist, principal of a lobbyist, client of a lobbyist, agent of a lobbyist, or a political action committee on which a lobbyist sits that lobbies the Legislature from making contributions to the Governor, Lieutenant Governor, or a member of the Legislature while the Legislature is convened in regular or special session.

One individual testified in support of this measure. The Department of the Attorney General, Hawaii State Ethics Commission, and Campaign Spending Commission provided comments.

Your Committee has amended this measure by:

- (1) Reassigning jurisdiction over prohibited contributions made by a registered lobbyist to specified politicians during the regular or special session to the Campaign Spending Commission;
- (2) Limiting these provisions to registered lobbyists, and defining that term to mean a lobbyist required by law to register with the State Ethics Commission; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 443, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 530 Judiciary on H.B. No. 793

The purpose of this measure is to improve the regulation of notaries public by authorizing the Attorney General to:

- (1) Adjust the fee to become a notary public or to renew a notary commission; and
- (2) Establish and adjust other fees related to the regulation of notaries public.

This measure also requires the notary's commission number to appear on the notary public's seal or stamp.

Testimony in support of this measure was submitted by the Department of the Attorney General.

Your Committee finds that the measure authorizes the Attorney General to establish and adjust notary public fees through the administrative rulemaking process. This will permit the Attorney General to meet the rising cost of administering the notary public program. Your Committee also finds that requiring notaries public to include their notary commission number on their notary public stamp will enable the notary public commission to quickly ascertain the identity of the notary and deter the fraudulent use of notary stamps or seals.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 793 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 531 Judiciary on H.B. No. 1278

The purpose of this measure is to increase by an unspecified amount various fees for service of process, expenses of sheriffs, police officers, and other serving officers, and fees relating to a sale of property.

The Department of Public Safety testified in support of the measure. The Judiciary and one concerned individual submitted comments on the measure.

Your Committee finds that many of the fees under the current law have not been changed in several years, and the proposal to increase fees is reasonable.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1278, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.
(Representative McDermott voted no.)

SCRep. 532 Judiciary on H.B. No. 236

The purpose of this measure is to ensure that the victims of a felony offense, or their surviving immediate family members, receive adequate information regarding the major developments of their case by, among other things:

- (1) Requiring the Department of Health (DOH), upon request, to notify the the prosecuting attorney in the county where the crime was committed (appropriate prosecutor) if the offender is:
 - (A) Absent without authorization, or hospitalized or committed in the course of or resulting from a penal proceeding;
 - (B) Released on certain grounds relating to physical or mental incompetence; or
 - (C) Regains competence to proceed;
- (2) Creating an exception to the DOH's confidentiality laws to allow the disclosures under paragraph (1);
- (3) Requiring the appropriate prosecutor to notify each victim, or surviving immediate family member, of the events in paragraph (1);
- (4) Adding the DOH to the list of agencies charged to cooperate in the protection of victims' and witnesses' rights in criminal proceedings; and
- (5) Expanding the definition of "major developments" to include:
 - (A) The finding that the offender is unfit to proceed or acquitted due to specified physical or mental incompetence; and
 - (B) Following the finding that the offender is unfit to proceed or acquitted, the offender is:
 - (i) Released; or
 - (ii) Committed to an appropriated public or private institution, including various types of facilities and institutions.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kauai, Crime Victim Compensation Commission, Honolulu Police Department, and Hawaii State Coalition Against Domestic Violence testified in support of this measure. The Department of Health and the Office of the Public Defender provided comments.

Your Committee has amended this measure by:

- (1) Deleting the purpose section;
- (2) Deleting the requirement that DOH give the appropriate prosecutor notice of the release of any person who was committed in lieu of prosecution or sentence, or committed due to:
 - (A) Being unfit to proceed;
 - (B) A post-commitment or post-release proceeding; or
 - (C) An acquittal for physical or mental disease, disorder, or defect;
- (3) Limiting the proposed exception to DOH's confidentiality laws to only allow the disclosure of information relating to unauthorized absences of the offender to the appropriate prosecutor;
- (4) Requiring that the appropriate prosecutor receive notice of a hearing for involuntary hospitalization that arises from a commitment in lieu of prosecution or sentence, or a commitment due to:
 - (A) Being unfit to proceed; or
 - (B) An acquittal for physical or mental disease, disorder, or defect,

if the administrator of a psychiatric facility gives notice of intent to discharge, and allows the prosecutor to give notice to the victims, or their immediate surviving family members;
- (5) Revising the proposed expansion of the definition of "major developments" by deleting certain examples of public and private facilities and institutions where an offender may be committed; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 236, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 236, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har and Ito.

SCRep. 533 Health on H.B. No. 411

The purpose of this measure is to ensure that victims of sexual assault are provided information about and access to emergency contraception when receiving emergency medical care at Hawaii's hospitals.

The Department of Health, Department of Human Services, City and County of Honolulu Department of the Prosecuting Attorney, Hawaii State Commission on the Status of Women, Hawaii Medical Association, Community Alliance on Prisons, Planned Parenthood of Hawaii, Americans for Democratic Action Hawaii, Hawaii State Democratic Women's Caucus, Family Voices of Hawaii, Hawaii Women Lawyers, The Sex Abuse Treatment Center, Progressive Democrats of Hawaii, Democratic Party of Hawaii Gay Lesbian Bisexual and Transgender Caucus, Hawaii State Coalition Against Domestic Violence, American Civil Liberties Union of Hawaii, Hawaii Women's Coalition, and National Association of Social Workers, Hawaii Chapter, and numerous individuals supported this measure. Kaiser Permanente Hawaii supported this measure with a suggested amendment. St. Francis Healthcare System of Hawaii, Hawaii Catholic Conference, and two individuals opposed this measure. Two individuals submitted written comments.

Your Committee has amended this measure by:

- (1) Providing clarifying language that requires a hospital to ensure that providers who may prescribe or administer emergency contraception, rather than each person at the hospital who may provide emergency medical care, to be trained to provide a sexual assault victim with medically and factually accurate and unbiased written and oral information about emergency contraception and sexual assault treatment options and access to emergency contraception;
- (2) Amending the definition of "sexual assault" to mean vaginal penetration without the person's consent, by compulsion or strong compulsion, or by sexual intercourse with someone who is mentally incapacitated, as defined in section 707-700, Hawaii Revised Statutes;
- (3) Changing the definition term "sexual assault survivor" to "sexual assault victim";
- (4) Requiring hospitals to offer, rather than provide, emergency contraception to each female assault victim, when medically indicated; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 411, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 534 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 224

The purpose of this measure is to more accurately assess student achievement in the Hawaiian Language Immersion Program by requiring the Department of Education to develop specified assessments in the Hawaiian language for specified subject areas and grade levels.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Oahu Council of the Association of Hawaiian Civic Clubs, and several individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Education Student Assessment Section and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Department of Education, with the assistance of the Hawaiian language community, to establish procedures to develop annual assessments for specified subject areas and grade levels for purposes of educational accountability under the Elementary and Secondary Education Act of 1965;
- (2) Requiring that the annual assessments, among other things, be:
 - (A) Aligned with the vision, mission, and programmatic goals of the Hawaiian Language Immersion Program;
 - (B) Aligned with applicable state academic content and achievement standards;
 - (C) Compliant with federal requirements; and
 - (D) Administered annually commencing with the 2015-2016 school year;
- (3) Deleting the appropriations provisions;
- (4) Changing its effective date to upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 224, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 224, H.D. 2.

Signed by all members of the Committee except Representatives Coffman, Kawakami and Lee.

SCRep. 535 Agriculture/Water & Land on H.B. No. 482

The purpose of this measure is to limit the agricultural tax credit for important agricultural lands by removing the ability to deduct from tax income all expenditures for regulatory processing, studies, and legal and other consultant services related to obtaining or retaining sufficient water for agricultural activities.

The Department of Agriculture; Hawaii Farm Bureau Federation; Alexander & Baldwin, Inc.; Maui County Farm Bureau; and Land Use Research Foundation of Hawaii testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii submitted comments.

Your Committees have amended this measure by removing, as a qualified agricultural cost, only legal services related to obtaining water.

The effective date was also changed to July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 482, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 482, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.
(Representatives Hanohano, Tsuji, Fale and Ward voted no.)

SCRep. 536 Agriculture/Water & Land on H.B. No. 1471

The purpose of this measure is to regulate land-based aquaculture farming on lands exceeding three acres in area and classified as agricultural.

The Department of Agriculture and a concerned individual testified in support of this measure. Hawaii Aquaculture and Aquaponics Association; Hawaii Farm Bureau Federation; Day2 Resources, LLC; and one individual opposed this measure. Island Resources, Ltd., and two individuals submitted comments.

Your Committees want to encourage further discussion on this topic because aquaculture farming is a growing industry and your Committees agree that the Department of Agriculture is the appropriate body to take the lead and provide organization and support for the industry. Therefore, this measure has been amended by:

- (1) Explaining that the intent of this measure is to provide organizational structure and support to the aquaculture industry and not to create an additional burdensome regulatory scheme;
- (2) Requiring the Department of Agriculture to facilitate, rather than regulate, land-based aquaculture farming on specified land;
- (3) Removing the requirement that the Department of Agriculture adopt rules to regulate the aquaculture industry;
- (4) Changing its effective date to July 1, 2020, to promote further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1471, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1471, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 537 Agriculture/Energy & Environmental Protection on H.B. No. 857

The purpose of this measure is to amend the Environmental Response, Energy, and Food Security Tax by reallocating its revenues from the general fund and making the funds available for environmental response, renewable energy, and food security purposes for which they were intended, and also by repealing its sunset provision.

The Office of the Governor; the Department of Agriculture; the Department of Health; the Department of Business, Economic Development, and Tourism; the Office of Planning; Hawaii Natural Energy Institute of the University of Hawaii at Manoa; Hawaii Green Growth Initiative; Sierra Club, Maui Group; Sierra Club, Hawaii Chapter; Hawaii Farm Bureau Federation; Enterprise Honolulu; League of Women Voters of Hawaii; The Nature Conservancy; Conservation Council for Hawaii; Blue Planet Foundation; Hawaii Invasive Species Council; Ulupono Initiative; Hawaii Cattlemen's Council; and several concerned individuals provided testimony in support of this measure. The Tax Foundation of Hawaii and Life of the Land provided comments on this measure.

Your Committees have amended this measure by:

- (1) Reinstating the sunset date for the energy systems development special fund and extending it to June 30, 2018; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees note that although there was nearly universal oral and written support for this bill, one person expressed concern that this bill could be improved by addressing the carbon footprint of all energy sources and better define clean energy.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 857, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 857, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 538 Agriculture on H.B. No. 1421

The purpose of this measure is to establish a Combined Agricultural Mobilization Program, under the Department of Agriculture by, among other things:

- (1) Providing affordable long-term leases to farmers for establishing small, organic farms;
- (2) Authorizing the Public Utilities Commission to establish preferential energy rates for participants in the Program;
- (3) Requiring the High Technology Development Corporation to assist participants with technological innovations related to crop development; and
- (4) Appropriating funds to the Program.

A few concerned individuals testified in support of this measure. The Department of Agriculture and Public Utilities Commission opposed this measure. The High Technology Development Corporation and one concerned individual submitted comments.

Your Committee has amended this measure by:

- (1) Renaming the Program to be the Organic Agricultural Mobilization Program;
- (2) Removing the provision that authorizes the Public Utilities Commission to establish preferential rates for organic farmers participating in the Program;
- (3) Making the purpose statement clear and concise;
- (4) Removing the fifty-five year lease term limitation for leases provided under the Program by the Department of Agriculture;
- (5) Removing a requirement that all lands identified as being suitable to be leased by the Department of Agriculture for the establishment of organic farms have a soil classification of A or B under the Land Study Bureau's detailed land classification;
- (6) Removing a provision that allows organic farmers participating in the Program to construct certain improvements and to retain the value of those improvements and investments made on the land;
- (7) Removing provisions relating to Program participants contracting with the State for the sale of produce to State agencies;
- (8) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1421, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1421, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Choy, Takayama, Tokioka, Tsuji and Ward voted no.)

SCRep. 539 Higher Education on H.B. No. 115

The purpose of this measure is to create a means to fund necessary repair and maintenance projects at University of Hawaii campuses statewide by establishing the Campus Planning Facility Board (Board) to oversee the funding of repair and maintenance projects and the Major Repairs and Replacement Special Fund (Special Fund) to be used solely to fund projects on the University's backlog list. This measure also authorizes \$38,000,000 in general obligation bond funds to be deposited into the Special Fund.

The Office of the Associated Students of the University of Hawaii President opposed this measure. The University of Hawaii and Department of Budget and Finance provided comments.

Your Committee understands that revenues obtained through the issuance of general obligation bonds must be used for a public purpose. As such, your Committee notes that upon the issuance of general obligation bonds authorized by this measure, the University of Hawaii is obligated to provide the Department of Budget and Finance a list of all projects that serve a public purpose and for which the general obligation bond revenues will be used.

Your Committee has amended this measure by:

- (1) Requiring the Board to annually report to the Legislature on, among other things, revenues, expenses, and completed and pending projects;

- (2) Permitting the Board to adopt rules without regard to the Administrative Procedures Law, chapter 91, Hawaii Revised Statutes;
- (3) Specifying that the five percent of all moneys received by the University required to be deposited into the Special Fund will be five percent of gross revenues;
- (4) Clarifying that for the purposes of the major repairs and replacement fee, revenues will be considered received immediately upon receipt by the University;
- (5) Specifying that the major repairs and replacement fee shall be deducted from gross revenues and deposited to the Special Fund on June 30 of each year;
- (6) Requiring that no amounts from special funds from which repair and maintenance costs are already deducted be included in the total gross revenue amount upon which the major repairs and replacement fee is based and that no funds from such special funds be subject to the ten percent deduction required in fiscal years 2014-2015 and 2015-2016;
- (7) Specifying that general obligation bond proceeds authorized by this measure may be expended only upon projects that serve a public purpose;
- (8) Authorizing the issuance of \$38,000,000 in general obligation bonds for fiscal year 2014-2015 and deposit of bond revenues into the Special Fund;
- (9) Increasing the expenditure ceiling for the Special Fund to \$100,000,000, from \$38,000,000 for each year of fiscal biennium 2013-2015;
- (10) Removing the sunset date; and
- (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 115, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 115, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 540 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1381

The purpose of this measure is to assist Hawaii's service men and women, and their spouses, when determining qualifications for an occupational license. Specifically, this bill allows professional and vocational licensing authorities to apply military education, training, licensure examinations, or service toward the qualifications required to receive a license by endorsement or reciprocity when that license is sought by a:

- (1) Nonresident military spouse; or
- (2) Service member who has served in a combat zone after September 11, 2001, and who provides retirement, separation, or discharge documentation that indicates an honorable discharge or general (under honorable conditions) discharge from active duty.

The Chamber of Commerce of Hawaii and National Association for Uniformed Services Hawaii Chapter testified in support of this bill. The Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Hawaii Association of Public Accountants, Hawaii Dental Association, and a concerned individual testified in opposition to this measure. The United States Department of Defense provided comments.

Your Committee has amended this bill by:

- (1) Placing language regarding the licensure of a nonresident military spouse in the appropriate section of the Hawaii Revised Statutes;
- (2) Adding the requirement that a nonresident spouse of a military member must be a spouse of a military member who is a member in good standing in the active or a reserve component of any of the armed forces of the United States and has orders issued by the United States Department of Defense to be stationed in Hawaii for a duration of at least one year as a condition to licensure by endorsement or licensure by reciprocity;
- (3) Deleting the requirement that a service member had to have served in a combat zone after September 11, 2001, in order for the professional and vocational licensing authorities to apply military education, training, licensure examinations, or service toward the qualifications required to receive a license by endorsement or reciprocity;
- (4) Stipulating that a service member applying for licensure by endorsement or reciprocity must have been given an honorable discharge or general (under honorable conditions) discharge from active duty within two years of applying for licensure by endorsement or reciprocity;
- (5) Specifying that the requirement that the professional and vocational licensing authorities consider an applicant's military education, training, licensure examinations, or service toward the qualifications required to receive a license by endorsement or reciprocity does not apply to the licensure of medical doctors, dentists, or certified public accountants;
- (6) Changing the effective date to July 1, 2050, to encourage further discussion; and

- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1381, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1381, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee.

SCRep. 541 Consumer Protection & Commerce on H.B. No. 551

The purpose of this measure is to provide fair rental policies for car-sharing organizations in Hawaii by prorating the Rental Motor Vehicle Surcharge Tax down to 12.5 cents per hour on car-sharing rentals of less than six hours; provided that for each car-sharing rental of six hours or more, the tax shall be assessed at \$3 a day.

The Department of Transportation; Sierra Club, Hawaii Chapter; Blue Planet Foundation; and EAN Holdings, LLC supported this measure. The Department of Taxation, The Hertz Corporation, and a concerned individual supported the intent of this bill. The Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by clarifying that the Rental Motor Vehicle Surcharge Tax for car-sharing organizations shall be prorated at 12.5 cents per hour regardless of the length of time the car is rented.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 551, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 551, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.

SCRep. 542 Consumer Protection & Commerce on H.B. No. 120

The purpose of this measure is to enhance public access to information about the quality of care of state-licensed and certain other care facilities by requiring the Department of Health and the Department of Human Services to post on their respective websites electronic copies of reports for all inspections they perform of facilities in which violations are discovered.

The State Council on Developmental Disabilities, Office of the Long Term Care Ombudsman, Policy Advisory Board for Elder Affairs, ILWU Local 142, Kokua Council, and numerous individuals testified in support of this measure. The Department of Health testified in support of the intent of this measure. The United Group of Home Operators, Caregivers Association, and numerous individuals testified in opposition of this measure. The Department of Human Services and Healthcare Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing and not requiring the Department of Health and the Department of Human services to post information concerning major patient care violations on their respective websites;
- (2) Specifying that the major patient care violation order must be final before the Department of Health and the Department of Human Services may post information concerning the major patient care violation;
- (3) Deleting language that would have included the posting of other information regarding the quality and conditions of the facilities as the Department of Health or Department of Human Services deems appropriate;
- (4) Defining "major patient care violation"; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 120, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 120, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.
(Representative McDermott voted no.)

SCRep. 543 Consumer Protection & Commerce on H.B. No. 357

The purpose of this measure is to reduce the adverse impact of single-use checkout bag waste on Hawaii's natural environment and preserve and protect Hawaii's watersheds and fresh water supply by establishing the Single-Use Checkout Bag Fee Program to:

- (1) Require certain businesses in the State to collect a fee for single-use checkout bags provided to customers; and
- (2) Allocate fee revenues to businesses and the Department of Health to reimburse administrative costs and to programs of the Department of Health and the Department of Land and Natural Resources to fund programs to mitigate the effects of single-use checkout bags including by protecting Hawaii's fresh water supply.

The Department of Land and Natural Resources; Hawaii Invasive Species Council; Ben Dyre Family Limited Partnership; Environmental Caucus of the Democratic Party; Hawaii Green Growth Initiative; Kauai Watershed Alliance; National Tropical Botanical Garden; The Nature Conservancy; LWD, Inc.; Sierra Club, Hawaii Chapter; West Maui Mountains Watershed Partnership; and several individuals testified in support of this measure. The Retail Merchants of Hawaii and a few individuals testified in opposition of this measure. The Hawaii Restaurant Association and Hawaii Food Industry Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Exempting bags provided to customers by a business to package loose-lid beverages that are prepared in or by and purchased from that business, from the single-use checkout bag fee;
- (2) Providing that participants in federally approved nutrition assistance programs may be provided single-use checkout bags free of charge;
- (3) Providing an increase of the single-use checkout bag fee to twenty-five cents per bag if the Department of Health has not found a specified decrease in usage of single-use checkout bags by July 1, 2016;
- (4) Clarifying that the Department of Health may, but is not required to, impose fees on businesses in violation of fee remittance provisions; and
- (5) Changing its effective date to July 1, 2012, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 357, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 357, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.
(Representative McDermott voted no.)

SCRep. 544 Consumer Protection & Commerce on H.B. No. 174

The purpose of this measure is to require, for imported genetically engineered food:

- (1) Labeling at import and at time of sale; and
- (2) Compliance with import restrictions and requirements, including those applicable to invasive species.

An individual councilmember of the Kauai County Council; the Environmental Caucus of the Democratic Party of Hawaii; the Hawaiian Affairs Caucus of the Democratic Party of Hawaii; North Shore Farms, LLC; Hawaii SEED; Down to Earth; GMO Free Kauai; Earthjustice; Babes Against Biotech; Hawaii Organic Farming Association; Label It Hawaii; and numerous individuals provided testimony in support of this measure. The Department of Agriculture; the Department of Health; Hawaii Food Industry Association; Hawaii Aquaculture & Aquaponics Association; Hawaii Crop Improvement Association; Molokai Chamber of Commerce; Maui County Farm Bureau; The Chamber of Commerce of Hawaii; Monsanto Hawaii; DuPont Pioneer; Hawaii Farm Bureau Federation; Molokai Farm Bureau; and several individuals provided testimony in opposition to this measure. Several individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Authorizing labeling of qualified food offered for retail sale as "not genetically engineered" or "does not include a genetically engineered ingredient" if the statement is true and authorizing any person or public agency to seek an injunction to prevent or terminate a violation;
- (2) Changing its effective date to July 1, 2012, for the purposes of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 174, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.
(Representatives Cabanilla, Cachola, Ito and Tsuji voted no.)

SCRep. 545 Consumer Protection & Commerce on H.B. No. 721

The purpose of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for autism spectrum disorders beginning after December 31, 2013.

The State Council on Developmental Disabilities, Autism Speaks, Hawaii Autism Foundation, Autism Society of Hawaii, Special Education Advisory Council, Community Children's Councils, Hawaii Medical Association, and numerous individuals testified in support of this measure. An individual testified in support with amendments to this measure. The Hawaii Association of Health Plans testified in opposition to this measure. The Department of Commerce and Consumer Affairs, Department of Budget and Finance, Department of Health, Hawaii Medical Service Association, American

Council of Life Insurers, and two individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that this Act shall be known and may be cited as "Luke's Law";
- (2) Specifying that the bill is intended to require only health insurers to provide coverage for autism spectrum disorders and not insurers issuing limited benefit health insurance contracts;
- (3) Amending the definition of "autism spectrum disorders" to mean any of the pervasive developmental disorders as defined by the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders;
- (4) Amending the definition of "behavioral health treatment" to include behavior analysis that is provided or supervised by a Board Certified Behavior Analyst or by a licensed psychologist;
- (5) Clarifying that the \$50,000 maximum benefit coverage is for behavioral health treatment;
- (6) Specifying that autism spectrum disorders benefits coverage is subject to copayment, deductible, and coinsurance provisions of a health insurance policy that are no less favorable than the copayment, deductible, and coinsurance provisions for other medical services covered by the policy;
- (7) Adding language to specify that an individual diagnosed as having a pervasive developmental disorder or autism spectrum disorder according to the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders at the time of diagnosis shall not be required to undergo repeat evaluation upon publication of the subsequent edition;
- (8) Changing the effective date of the measure to July 1, 2112, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

Your Committee notes that the average fiscal impact across five of the early adopting states with this legislation is thirty-one cents per month for each member of the plan and can prevent persons with autism spectrum disorders from becoming permanent wards of the state.

Your Committee respectfully requests that the Committee on Finance, should they consider this measure, look at the recommendations offered by the Special Education Advisory Council, including:

- (1) The screening for autism spectrum disorders, including well-baby and well-child screening to ensure that services are offered as early as possible;
- (2) Offering family counseling and training as one of the components of care in the treatment for autism spectrum disorders; and
- (3) The addition of an evidence-based requirement to the definition of "behavioral health treatment".

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 721, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 721, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Carroll, Har, Lee and Thielen.

SCRep. 546 Public Safety on H.B. No. 345

The purpose of this measure is to clarify and update a county fire chief's authority to review construction, alteration, and other installation plans and specifications for buildings or properties, for compliance with the fire code and fire and life safety standards.

The State Fire Council, Kauai Fire Department, and Department of Fire and Public Safety of the County of Maui supported this measure. The Building Industry Association of Hawaii opposed this measure.

Your Committee has amended this measure by clarifying that:

- (1) The county fire chief's authority to require plans and documents to demonstrate compliance with the fire code and fire and life safety standards includes:
 - (A) Construction work on facilities; and
 - (B) Changes in use of structures; and
- (2) Various types of construction shall not commence without the necessary permits issued by the jurisdiction having authority.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 345, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 345, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative McDermott.

SCRep. 547 Public Safety on H.B. No. 944

The purpose of this measure is to protect the public by updating Hawaii's controlled substances schedules and allowing the Department of Public Safety to identify and track the abuse of certain new non-controlled substances. Specifically, this measure:

- (1) Updates Hawaii's Uniform Controlled Substances Act to make it consistent with amendments made to federal law on controlled substances;
- (2) Adds new controlled substances to the list of stimulants classified as Schedule I controlled substances and anabolic steroids classified as Schedule III controlled substances; and
- (3) Changes the penalty provision related to pseudoephedrine by stipulating that only persons who knowingly purchase, receive, or otherwise acquire products containing more than 3.6 grams per day or more than nine grams per thirty-day period of pseudoephedrine without a valid prescription shall be guilty of a Class C felony.

The Department of Public Safety and the Honolulu Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 944 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 548 Public Safety on H.B. No. 946

The purpose of this measure is to improve the efficiency of the Reentry Commission and ensure commitments made on behalf of the Department of Public Safety are carried through by replacing the Reentry Coordinator with the Director of Public Safety as an ex officio nonvoting member of the Reentry Commission. The Commission works with the Department of Public Safety in monitoring and reviewing the Comprehensive Offender Reentry Program.

The Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 946 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 549 Public Safety on H.B. No. 1280

The purpose of this measure is to more clearly define and delineate the duties and responsibilities of process servers and examine ways of certifying and registering process servers by requiring the Department of Public Safety to convene a working group to define and delineate process server duties and responsibilities, create a process to obtain certification for the Sheriff Division, and create a registration process for process servers.

The Judiciary and two concerned individuals supported this measure. The Department of Public Safety supported the intent of this bill.

Your Committee has amended this bill by:

- (1) Deleting the requirement that the working group create a process to obtain certification for the Sheriff Division;
- (2) Requiring the working group to examine the licensing requirements of and jurisdictional concerns with the private process server industry in the State;
- (3) Reducing to two the number of current process servers to serve as members on the working group;
- (4) Requiring a representative from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs to serve as a member on the working group; and
- (5) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1280, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1280, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 550 Health on H.B. No. 673

The purpose of this measure is to better address public health and environmental issues relating to pesticide use by requiring the Department of Agriculture (DOA) to publish an annual report summarizing specified information regarding restricted pesticide use in the State.

Two individual council members of the Kauai County Council, the Hawaii Organic Farming Association, GMO Free Kauai, Hawaii SEED,

Babes Against Biotech, and numerous individuals provided testimony in support of this measure. The Department of Transportation; Alexander & Baldwin, Inc.; Hawaii Pest Control Association; Maui County Farm Bureau; Kauai County Farm Bureau; Hawaii Crop Improvement Association; and a few individuals provided testimony in opposition to this measure. The Department of Agriculture; the Department of Land and Natural Resources; DuPont Pioneer; North Shore Farms, LLC; and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that DOA publish an annual report summarizing specified information regarding restricted use pesticide use in the State and permit an independent review of the restricted use pesticide use collection procedures to verify the accuracy of the data collected;
- (2) Deleting the requirement that any private or commercial pesticide applicator provide a requesting property owner certain information about the application of pesticides to property abutting the requestor's property;
- (3) Deleting the provision allowing DOA to implement a pesticide use reporting fee;
- (4) Requiring DOA to publish on its website all reports received by the DOA regarding restricted pesticide use in the State;
- (5) Requiring the Legislative Reference Bureau to conduct a study regarding other states' pesticide reporting and registry requirements as they relate to urban and agricultural areas, and the costs incurred to establish pesticide use and registry programs; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 673, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 673, H.D. 2.

Signed by all members of the Committee except Representative Carroll.
(Representative Cabanilla voted no.)

SCRep. 551 Health on H.B. No. 672

The purpose of this measure is to reduce the number of minors and youth who smoke, by:

- (1) Restricting the placement of and advertisements for cigarettes and tobacco products;
- (2) Defining "electronic cigarette" or "e-cigarette";
- (3) Including electronic devices under the definition of "tobacco" and "tobacco products"; and
- (4) Prohibiting the sale of electronic devices to a minor under the age of eighteen and the purchase of an electronic device by a minor under the age of eighteen.

The Coalition for a Tobacco-Free Hawaii and an individual supported this measure. The Department of Health supported the intent of this measure. The Department of the Attorney General, The Libertarian Party of Hawaii, Hawaii Food Industry Association, ABC Stores, VOLCANO Fine Electronic Cigarettes, and numerous individuals opposed this measure. Several individuals submitted comments.

Your Committee has amended this measure by:

- (1) Deleting provisions limiting the display of advertisements for cigarettes and tobacco products;
- (2) Defining "electronic smoking device";
- (3) Prohibiting the sale of electronic smoking devices to minors under the age of eighteen; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 672, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 672, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 552 Health on H.B. No. 667

The purpose of this measure is to amend statutory law regarding the medical use of marijuana including:

- (1) Defining "adequate supply" in the context of the possession of medical marijuana by both a primary caregiver and qualifying patient;
- (2) Clarifying provisions relating to the confidentiality of growing sites, certification of physician requirements, confidentiality of patient's conditions, caregiver to patient ratios, transportation of medical marijuana, qualifying visitors, and registration requirements; and

- (3) Transferring oversight of certain functions of the Medical Use of Marijuana law from the Department of Public Safety to the Department of Health.

The American Civil Liberties Union of Hawaii, Big Island Americans for Safe Access, Community Alliance on Prisons, Drug Policy Forum of Hawaii, Drug Policy Action Group, The Libertarian Party of Hawaii, and numerous individuals testified in support of this measure. The Department of Public Safety testified in support of the intent of this measure. The Honolulu Department of the Prosecuting Attorney, Honolulu Police Department, Hawaii County Police Department, and Maui County Police Department testified in opposition of this measure. Several individuals provided comments on this measure.

Your Committee notes that provisions in this measure may create potentially problematic immunity issues for qualifying patients transporting marijuana for "intended" medical usage, especially when the transportation occurs across state lines. Should the Committee on Judiciary consider this measure, your Committee respectfully requests that the above-mentioned issue be considered.

Your Committee has amended this measure by:

- (1) Specifying a seven marijuana plant limit for the definition of "adequate supply" that refers to both mature and immature plants;
- (2) Lowering the amount of patients a primary caregiver may be responsible for from five to three patients at any given time;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 667, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 667, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 553 Health on H.B. No. 62

The purpose of this measure is to prohibit pharmacy benefits managers from using a patient's prescription drug benefits claim information to market or advertise to that patient the services of a preferred pharmacy network that is owned by the pharmacy benefits manager.

Hawaii Community Pharmacists Association, Walgreen Co., Hawaii Food Industry Association, and several individuals supported this measure. Hawaii Medical Service Association, Express Scripts, and CVS Caremark Corporation opposed this measure.

Your Committee has amended this measure by:

- (1) Prohibiting a pharmacy benefit management company from restricting a patient's choice of pharmacy from which to receive prescription drug benefits, including the use of an individual's prior prescription drug benefits claim information, unless use of the information is:
 - (A) Medically necessary to the health and safety of the individual; or
 - (B) The individual has consented to use of the information;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 62, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 62, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 554 Health on H.B. No. 65

The purpose of this measure is to protect the pharmaceutical rights of Hawaii's residents and ensure patient choice. Among other things, this bill:

- (1) Allows individual beneficiaries enrolled in any prescription drug benefits plan within the State, including the Hawaii Employer-Union Health Benefits Trust Fund health benefits plan, to opt out of a plan requirement to purchase prescriptions by mail order and in the alternative purchase prescriptions drugs at a retail pharmacy;
- (2) Prohibits a pharmacy benefit management company from restricting a patient's choice of pharmacy from which to receive prescription medications; and
- (3) Prohibits a pharmacy benefit manager from manipulating the amounts of drug co-payments that it charges in a manner that would encourage beneficiaries to receive prescription medications through a mail-order pharmacy.

The National Community Pharmacists Association, Hawaii Community Pharmacists Association, Walgreen Company, Hawaii Food Industry Association, Hawaii Medical Association, Molokai Drugs, Inc., and several concerned individuals testified in support of this bill. The Hawaii Medical Service Association, CVS Caremark Corporation, and Express Scripts testified in opposition to this measure. A concerned individual provided comments.

Your Committee has amended this bill by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 65, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 65, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 555 Health on H.B. No. 910

The purpose of this measure is to implement statutory changes recommended by the Governor's special action team designed to reduce the population of the Hawaii State Hospital by:

- (1) Requiring public agencies with a defendant's medical, mental health, social, police and juvenile records to release information to the court when the defendant is ordered to submit to a forensic mental health examination in order to expedite the process; and
- (2) Amending penal code provisions to establish limits to the length of time an individual may remain on conditional relief for certain criminal charges and to clarify circumstances under which the conditional release may be tolled.

The Department of Health, Hawaii Disability Rights Center, Community Alliance for Mental Health, and United Self Help supported this measure. The Judiciary supported this measure with amendments. The Department of the Prosecuting Attorney of the City and County of Honolulu opposed this measure. The Department of the Attorney General commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the tolling provisions apply only to defendants charged with petty misdemeanors, misdemeanors, or violations;
- (2) Specifying that the tolling period shall apply during a period of forensic hospitalization and during the pendency of a motion to revoke conditional release; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 910, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 910, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 556 Health on H.B. No. 649

The purpose of this measure is to improve access to mental health services by:

- (1) Expanding eligibility for mental health services by adding definitions for "qualifying diagnosis" and "severe and persistent mental illness" and requiring the provision of services to individuals with a qualifying diagnosis;
- (2) Appropriating funds for mental health services previously eliminated or reduced; and
- (3) Appropriating funds for substance abuse treatment and mental health support services for individuals who are homeless or at risk of becoming homeless.

The Hawaii Disability Rights Center, the Healthcare Association of Hawaii, Mental Health America of Hawaii, and the Community Alliance for Mental Health testified in support of the measure. The Hawaii Substance Abuse Council testified in support of the measure with amendments. The Department of Health testified in opposition of the measure.

Your Committee has amended this measure by:

- (1) Providing further specification about the standards and rules for services established by the Department of Health;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 649, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 649, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 557 Health on H.B. No. 991

The purpose of this measure is to amend the process for obtaining a Family Court order for involuntary outpatient mental health treatment by establishing a process for obtaining an order for assisted community treatment.

The National Alliance on Mental Illness, Hawaii State Chapter; Mental Health America of Hawaii; Hawaii Substance Abuse Coalition; The Queen's Medical Center; Catholic Charities Hawaii; PHOCUSED; the Institute for Human Services, Inc.; and a few individuals submitted testimony in support of this measure. The Department of Health, Honolulu Police Department, American Civil Liberties Union of Hawaii, and one individual submitted testimony in opposition to this measure. The Hawaii Disability Rights Center submitted comments.

Your Committee has amended this measure by:

- (1) Amending the criteria for a Family Court order of assisted community treatment to clarify requirements for the mental condition and degree of disability of the subject of a petition for an order as well as for procedures for the Court's consideration of evidence of that mental condition and degree of disability;
- (2) Specifying that an adult child of an individual has standing to petition the Family Court for an order of assisted community treatment for the individual;
- (3) Increasing the time that a person who is the subject of a petition for assisted community treatment may be involuntarily committed to a psychiatric facility for examination from twenty-four to forty-eight hours;
- (4) Specifying that a person subject to an order for assisted community treatment may be forcibly administered medication in either a hospital or a correctional setting;
- (5) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure raises a number of issues involving the civil rights of persons who are the subject of petitions or orders for assisted community treatment, particularly, although not exclusively, in the matter of forcible detention for purposes of transportation or treatment pursuant to an order. Your Committee respectfully requests that your Committee on Judiciary deliberate further on these issues should that Committee choose to consider this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 991, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 991, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 558 Health on H.B. No. 363

The purpose of this measure is to improve access to emergency medical care and ambulance services in Ewa Beach by appropriating funds to demolish the Ewa Beach fire station and to construct an energy-efficient and environmentally-sustainable emergency medical services facility at the same location.

The Department of Health, United Public Workers, AFSCME, Local 646, AFL-CIO, Healthcare Association of Hawaii, and Queen's Health Systems testified in support of the measure.

Your Committee respectfully requests the Committee on Finance, should it decide to have a hearing on this bill, to consider whether the expending agency for the funds appropriated in this measure should be the Department of Health or the City and County of Honolulu.

Your Committee has amended this measure by:

- (1) Deleting the appropriation amount;
- (2) Amending its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 363, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 363, H.D. 2.

Signed by all members of the Committee except Representative Carroll.

SCRep. 559 Consumer Protection & Commerce on H.B. No. 144

The purpose of this measure is to clarify professional employer organization (PEO) responsibilities, including meeting the statutory requirements of chapter 373L, Hawaii Revised Statutes, and the nexus between the registration of PEOs and qualification for the state general excise tax exemption.

The Department of Labor and Industrial Relations and the Department of Taxation provided testimony in support of this measure. ALTRES, Inc., provided testimony in opposition to this measure. ProService Hawaii; Tax Foundation of Hawaii; Hawaii Human Resources, Inc.; Hawaii Association of Professional Employer Organizations; William L. Wong CPA & Associates, Inc.; HRBenefix; Exceptional, Inc., dba Employers Options; and Talent HR Solutions, LLC provided comments on this measure.

Your Committee has amended this measure by setting forth and clarifying professional employer organization responsibilities and related matters as follows:

- (1) Renaming the title of chapter 373K, Hawaii Revised Statutes, to "Professional Employer Organizations" and adding new sections to clarify PEO requirements, including requiring PEO registration; establishing registration and renewal fees; setting forth the responsibilities and duties of the Director of Labor and Industrial Relations with respect to PEOs; requiring notification to the Department of Labor and Industrial Relations regarding relationships between a PEO and its client companies; for decisions involving the denial, suspension, etc., of registration renewal, clarifying the applicable hearings process and providing for judicial review; and adding certain definitions;
- (2) Authorizing the Director of Labor and Industrial Relations to establish sliding scale fees based on PEO annual payroll;
- (3) Establishing sliding scale bond requirements for PEOs based on PEO annual payroll;
- (4) Repealing chapter 373L, Hawaii Revised Statutes, which relates to PEOs;
- (5) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 144, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 144, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Yamane.
(Representative McDermott voted no.)

SCRep. 560 Consumer Protection & Commerce on H.B. No. 1483

The purpose of this measure is to establish a task force to study the feasibility and merits of allowing the operations of one or more regional systems of the Hawaii Health Systems Corporation, or one or more of its individual health facilities, to transition to non-public status.

Maui Memorial Medical Center, Maui Regional Board, and numerous individuals testified in support of this measure. Numerous individuals testified in opposition to this measure. Hawaii Health Systems Corporation, Hawaii State AFL-CIO, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Replacing all references to "non-public status" to "public-private partnership status";
- (2) Requiring the task force to examine whether a securitization mechanism is necessary to protect the State and to review the fiscal impact of contracting solely with out-of-state persons for goods, services, and infrastructure;
- (3) Requiring the task force to hold public meetings with health care personnel and other employees of the Hawaii Health Systems Corporation to discuss alternative cost reductions before reductions in service are made;
- (4) Requiring the task force to include any actions being taken to incorporate the alternative cost reductions in its report to the Legislature; and
- (5) Changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1483, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1483, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 561 Consumer Protection & Commerce on H.B. No. 21

The purpose of this measure is to clarify statutory law for condominium associations in situations where a delinquent condominium is purchased under a judicial or non-judicial foreclosure by:

- (1) Raising the priority of a lien that consists of all sums assessed by a condominium association but unpaid for the share of the common expenses chargeable to any unit;
- (2) Providing that upon the subsequent acquisition of a unit as a result of a foreclosure, unpaid shares of common expenses and assessments owed to the condominium association will not be deemed to be common expenses collectible from all unit owners;

- (3) Providing that subsequent acquirers of foreclosed condominium units are not personally liable for past-due common expenses and assessments owed to a condominium association;
- (4) Providing that past due common expenses and assessments secured by a condominium association as a lien upon a foreclosed unit will remain as an enforceable lien upon the foreclosed unit regardless of subsequent acquisition or transfer of title;
- (5) Removing provisions regarding the applicability of the lien on subsequent acquirers of foreclosed units; and
- (6) Removing the limitation on the amount of the assessment to subsequent acquirers under a condominium association's placement of a lien for past-due common expenses.

The Country Club Village Association of Apartment Owners, Elima Lani Association of Apartment Owners, Hilo Lagoon Centre Association of Apartment Owners, Kaha Lani Association of Apartment Owners, Banyan Harbor Association of Apartment Owners, Plantation Hale Association of Apartment Owners, Pono Kai Association of Apartment Owners and numerous individuals testified in support of this measure. The Hawaii Credit Union League, Hawaii Bankers Association, and the Hawaii Financial Services Association testified in opposition of this measure. The Department of Commerce and Consumer Protection, Mortgage Bankers Association of Hawaii, Community Association Institute Hawaii Chapter, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Establishing that only excess rental incomes will be paid to existing lien holders based on the priority of liens;
- (2) Establishing that excess rental income is the net income received by a condominium association after paying past due fees for common expenses and assessments owed to the association, maintenance fees, attorney's fees and other collection costs, and any other costs incurred by the association in the rental, repair, maintenance, or rehabilitation of a unit
- (3) Specifying that past due fees for common expenses and assessments owed to a condominium association, will be paid first out of income received by the condominium association; and
- (4) Changing its effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 21, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 21, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 562 Consumer Protection & Commerce on H.B. No. 1200

The purpose of this measure is to protect post-secondary students in the State by establishing the State Post-secondary Education Commission (Commission) within the Department of Commerce and Consumer Affairs (DCCA) to comply with new federal regulations for post-secondary educational institutions. This measure also repeals the current state Post-secondary Education Commission, established within the University of Hawaii.

The University of Hawaii, Hawaii Pacific University, University of Phoenix, Chaminade University of Honolulu, and Hawaii Association of Independent Schools supported this measure. The Department of Commerce and Consumer Affairs opposed this measure. Heald College provided comments.

Your Committee has amended this measure by:

- (1) Amending the definitions for "accredited" and "seminary or religious institution" to conform with federal law;
- (2) Adding a definition for "nationally recognized accrediting agency";
- (3) Excluding barber and cosmetology schools licensed by DCCA from the authorization requirements under the Commission;
- (4) Requiring an entity excluded from the authorization requirements that requests authorization to meet the criteria for and comply with all authorization requirements before authorization is granted;
- (5) Requiring the members of the Commission to select a chairperson and vice chairperson upon the appointment of the initial members and by July 1 of each subsequent year;
- (6) Requiring the members of the Commission to select a chairperson pro tempore in the event that neither the chairperson nor the vice chairperson is present to preside over a meeting;
- (7) Requiring the Commission to adopt procedures for the handling of proprietary information;
- (8) Requiring the Commission to meet at least once per year;
- (9) Amending the powers and authority of the Commission for clarity and to authorize the Commission to, among other things:
 - (A) Issue declaratory rulings or informal non-binding interpretations, and conduct contested case proceedings pursuant to chapter 91, Hawaii Revised Statutes;

- (B) Investigate and conduct hearings regarding violations;
 - (C) Create fact-finding committees;
 - (D) Contract with qualified individuals to assist in the exercise of the Commission's duties; and
 - (E) Do any and all things necessary or incidental to the exercise of the Commission's duties;
- (10) Clarifying that specified enrollment and degree completion data is to be submitted to the Commission, rather than DCCA;
 - (11) Requiring the Commission to include in its policies regarding the collection of enrollment and degree completion data, whether such data may be disclosed to the public;
 - (12) Deleting requirements that DCCA make recommendations to the Commission regarding authorizations;
 - (13) Clarifying that DCCA is required to provide specified administrative support to the Commission;
 - (14) Requiring DCCA to make a list of authorized institutions available to the public, and to publicly disclose the nature and outcome of any complaints received and investigations initiated;
 - (15) Authorizing the Commission to delegate to DCCA any other powers or duties it deems reasonable and proper, with specified exceptions;
 - (16) Authorizing DCCA to assess fees to administer responsibilities delegated by the Commission;
 - (17) Clarifying that authorization application forms will be prescribed by the Commission, rather than DCCA;
 - (18) Deleting provisions that permit a private college or university to operate without accreditation under provisional authorization;
 - (19) Authorizing the Commission to confirm the authorization of an institution;
 - (20) Amending provisions relating to prohibited practices to conform with those applicable to other DCCA licensees;
 - (21) Authorizing DCCA to issue sanctions for violations of specified prohibited practices;
 - (22) Narrowing the condition for authorization revocation based on a violation of criminal law to those violations that are directly relevant to the institution's authorization status;
 - (23) Inserting requirements for an institution to maintain authorization, including provisions for automatic suspension upon the loss of accreditation and provisions for automatic probationary status;
 - (24) Specifying that an institution has an affirmative duty to cooperate with requests from DCCA for information regarding any investigation or inspection;
 - (25) Requiring institutions to provide DCCA with any material information concerning the transaction thirty days prior to the transaction;
 - (26) Requiring institutions, upon revocation of authorization, to provide written notice to all students within thirty days;
 - (27) Deleting the requirement that DCCA permanently retain student transcripts;
 - (28) Clarifying that a claim may be filed with the commission as a result of loss of tuition or fees due to an institution's cessation of operations;
 - (29) Specifying that DCCA shall be responsible, rather than act as a trustee, for specified funds if an authorized private college or university ceases operation;
 - (30) Authorizing the Commission and DCCA to initiate complaints based on information received by the Commission;
 - (31) Clarifying the complaint process to permit DCCA to take disciplinary enforcement in a manner consistent with chapter 91, Hawaii Revised Statutes;
 - (32) Authorizing additional sanctions an institution may be subject to upon specified violations;
 - (33) Deleting the requirement that fines be collected in a civil action;
 - (34) Authorizing DCCA to assess additional fees under specified conditions;
 - (35) Requiring the Governor to appoint interim commissioners to ensure that the Commission is formed in time to meet the July 1, 2013, federal deadline;
 - (36) Deleting provisions that would transfer relevant positions and assets for the certification of veteran's higher education programs from the University of Hawaii to DCCA; and

- (37) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1200, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1200, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 563 Consumer Protection & Commerce on H.B. No. 497

The purpose of this measure is to adjust the renewable energy technologies income tax credit by, among other things:

- (1) Providing that the tax credit shall be claimed on the basis of renewable energy technology property rather than renewable energy technology systems, including, among others:
 - (A) Amendments to defined terms to effectuate the intent of the measure; and
 - (B) The deletion of existing tax credit caps and their calculations;
- (2) Establishing tax credits for solar energy property used specifically for the purpose of heating water, including a cap on the amount of credits allowed;
- (3) Providing for the calculation of tax credits by a percentage of the basis of certain solar properties used primarily to generate electricity;
- (4) Providing for taxpayer refunds of the renewable energy tax credit under certain circumstances, including situations in which the tax credit claimed exceeds the amount of income tax payment due from the taxpayer;
- (5) Allowing associations under chapters 514A, 514B, 421I, and 421J, Hawaii Revised Statutes, to claim the credit under the association's name or for property and facilities placed in service and located on common areas; and
- (6) Amending the reporting requirement of the renewable energy technologies tax credit to include the joint participation of both the department of taxation and the department of business, economic development, and tourism.

The Department of Business, Economic Development, and Tourism; Distributed Energy Partners; Forest City Hawaii; Hawaii PV Coalition; Mainstream Energy Corp.; Ulupono Initiative; Sierra Club Hawaii Chapter; Solar Power Systems International, LLC; RevoluSun; SunPower Corp.; The Pacific Resource Partnership; Blue Plant Foundation; and an individual testified in support of this measure. The Department of Taxation, AES Solar, Hawaii Renewable Energy Alliance, Hawaii Solar Energy Association, R&R Solar Supply, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Providing rates for solar energy property, both competitively and not competitively bid, placed into service after December 31, 2012;
- (2) Inserting the contents of HB856 HD1 as a part II of this measure;
- (3) Amending part II by, among other things:
 - (A) Adding definitions for "department" and "green infrastructure special fund" under the proposed part in chapter 196, Hawaii Revised Statutes (HRS), and adding definitions for "green infrastructure bond fund" and "green infrastructure special fund" under the proposed part in chapter 269, HRS;
 - (B) Providing procedures and processes for the Hawaii Green Infrastructure Authority's loaning of funds, including the requirement of an order from the PUC;
 - (C) Providing specific uses for funds to be appropriated out of the Hawaii Green Infrastructure Special Fund;
 - (D) Exempting all Hawaii Green Infrastructure Authority employees, including the Hawaii Green Infrastructure Authority Director, from chapter 76, HRS;
 - (E) Requiring the Hawaii Green Infrastructure Authority to submit a report to the legislature regarding the authority's activities in administering the Hawaii Green Infrastructure Loan Program;
 - (F) Clarifying the terms of the financing order provided under chapter 279, HRS, including, among other things:
 - (i) Specifying terms related to the maximum term of green infrastructure bonds proposed to be issued;
 - (ii) Providing procedures to be followed by the electric utilities in the event of non- or partial payment of green infrastructure fees; and
 - (iii) Requiring a financing order to detail the distribution of the total amount collected by the electric utilities for amounts billed to customers;

- (G) Permitting the PUC to require in a financing order, procedures to be followed in the event of a default of an electric utility to which green infrastructure fees are remitted;
 - (H) Providing procedures for the creation of a lien on green infrastructure property in the favor of bondholders and financing parties;
 - (I) Providing protections for the electric utilities to ensure that reasonable costs incurred in the implementation of green infrastructure fees are returned to the utilities;
 - (J) Removing provisions relating to the creation of security interests over green infrastructure property, including the setting of lien priorities regarding green infrastructure fees and property and the rights of lien holders in foreclosure and bankruptcy;
 - (K) Clarifying that the treatment of green infrastructure bonds, fees, and property are exempt from taxes under chapters 237, 239, and 240, HRS, as well as the public utility fee under section 269-30, HRS;
 - (L) Establishing the Hawaii Green Infrastructure Bond Fund, into which all proceeds of the green infrastructure fees and any other proceeds of the green infrastructure property shall be paid, including provisions relating to annual audits, purpose, and administration;
 - (M) Specifying that the reporting requirement of the PUC regarding the green infrastructure loan program include information on financing orders issued, adjustments made to the public benefits fee, and repayments or credits provided to customers pursuant to the issuance of green infrastructure bonds; and
 - (N) Appropriating funds from the Hawaii Green Infrastructure Special Fund and the Hawaii Green Infrastructure Bond Fund to effectuate the intent of the measure; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 497, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 497, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cachola, Har, Ito and Thielen.

SCRep. 564 Consumer Protection & Commerce on H.B. No. 856

The purpose of this measure is to establish a regulatory financing structure that authorizes the Public Utilities Commission (PUC) and the Department of Business, Economic Development, and Tourism (DBEDT) to provide low-interest loans for green infrastructure property.

The Office of the Governor; DBEDT; PUC; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Budget and Finance; Hawaiian Electric Company; Environmental Defense Fund; Maui Group Sierra Club; Ulupono Initiative; Blue Planet Foundation; Sierra Club Hawaii Chapter; Hawaii Regional Council of Carpenters; The Pacific Resource Partnership; Sunetric; and several individuals supported this measure. An individual opposed this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by, among other things:

- (1) Adding definitions for "department" and "green infrastructure special fund" under the proposed part in chapter 196, Hawaii Revised Statutes (HRS), and adding definitions for "green infrastructure bond fund" and "green infrastructure special fund" under the proposed part in chapter 269, HRS;
- (2) Providing procedures and processes for the Hawaii Green Infrastructure Authority's loaning of funds, including the requirement of an order from the PUC;
- (3) Providing specific uses for funds to be appropriated out of the Hawaii Green Infrastructure Special Fund;
- (4) Exempting all Hawaii Green Infrastructure Authority employees, including the Hawaii Green Infrastructure Authority Director, from chapter 76, HRS;
- (5) Requiring the Hawaii Green Infrastructure Authority to submit a report to the legislature regarding the authority's activities in administering the Hawaii Green Infrastructure Loan Program;
- (6) Clarifying the terms of the financing order provided under chapter 279, HRS, including, among other things:
 - (A) Specifying terms related to the maximum term of green infrastructure bonds proposed to be issued;
 - (B) Providing procedures to be followed by the electric utilities in the event of non- or partial payment of green infrastructure fees; and
 - (C) Requiring a financing order to detail the distribution of the total amount collected by the electric utilities for amounts billed to customers;
- (7) Permitting the PUC to require in a financing order, procedures to be followed in the event of a default of an electric utility to which

- green infrastructure fees are remitted;
- (8) Providing procedures for the creation of a lien on green infrastructure property in the favor of bondholders and financing parties;
 - (9) Providing protections for the electric utilities to ensure that reasonable costs incurred in the implementation of green infrastructure fees are returned to the utilities;
 - (10) Removing provisions relating to the creation of security interests over green infrastructure property, including the setting of lien priorities regarding green infrastructure fees and property and the rights of lien holders in foreclosure and bankruptcy;
 - (11) Clarifying that the treatment of green infrastructure bonds, fees, and property are exempt from taxes under chapters 237, 239, and 240, HRS, as well as the public utility fee under section 269-30, HRS;
 - (12) Establishing the Hawaii Green Infrastructure Bond Fund, into which all proceeds of the green infrastructure fees and any other proceeds of the green infrastructure property shall be paid, including provisions relating to annual audits, purpose, and administration;
 - (13) Specifying that the reporting requirement of the PUC regarding the green infrastructure loan program include information on financing orders issued, adjustments made to the public benefits fee, and repayments or credits provided to customers pursuant to the issuance of green infrastructure bonds;
 - (14) Appropriating funds from the Hawaii Green Infrastructure Special Fund and the Hawaii Green Infrastructure Bond Fund to effectuate the intent of the measure; and
 - (15) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 856, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 856, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Har, Ito, Lee and Yamane.

SCRep. 565 Judiciary on H.B. No. 330

The purpose of this measure is to ensure equal access to all state and local government programs, services, and activities for persons with disabilities by requiring the written public notice of any regular, special, or rescheduled meeting, or any executive meeting to list a telephone and facsimile number and an email address such persons can use to request an accommodation.

The Office of Information Management and Technology supported this measure. The Office of Information Practices, Hawaii Civil Rights Commission, Disability and Communication Access Board, and two concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Amending the preamble to more clearly state the measure's purpose;
- (2) Requiring that an email address and facsimile number be provided only when available;
- (3) Specifying that the contact information may also be used for general information or to request an auxiliary aide or service; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 330, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 330, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 566 Judiciary on H.B. No. 343

The purpose of this measure is to amend the gambling law to provide that gambling activities offered incident to the purchase of goods or services constitute gambling.

The Honolulu Police Department, Maui Police Department, Hawai'i Appleseed Center for Law and Economic Justice, Hawaii Family Forum, Hawaii Catholic Conference, and Hawai'i Coalition Against Legalized Gambling testified in support of this measure. Several concerned individuals testified in opposition to this measure. A concerned individual offered comments.

Your Committee has amended this measure by:

- (1) Broadening the definition of "something of value" to include the purchase of an item or service that entitles a person to participate in a gambling scheme or use a gambling device, or any entries, credits, or play points that extend or permit the privilege of playing a game of chance without charge; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 343, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 343, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Kawakami.

SCRep. 567 Judiciary on H.B. No. 358

The purpose of this measure is to increase neighbor island residents' participation in state government by requiring both chambers of the Legislature to establish procedures through rules to enable neighbor island residents to present oral testimony at legislative committee hearings through the use of audiovisual technology and appropriating funds to support such a system.

Common Cause Hawaii, a councilmember from the Hawaii County Council, and two concerned individuals supported this measure. The Office of Information Management and Technology and Department of Accounting and General Services offered comments on the measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Legislature is only required to be equipped to receive live oral testimony from neighbor island residents at legislative committee hearings through the use of audio or audiovisual technology;
- (2) Inserting language that requires each chamber of the Legislature to seek out executive agency sites or facilities which have existing audio and audiovisual capabilities that could be used to allow neighbor island residents to present live testimony from the neighbor islands; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 358, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 358, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 568 Judiciary on H.B. No. 237

The purpose of this measure is to provide additional support for the education of juveniles age fourteen and older, who are involved in the criminal justice system and who are unable to achieve academically in a traditional school setting.

More specifically, this measure appropriates an unspecified amount from the general fund to establish alternative schools in the Leeward Oahu and Honolulu school districts.

The Department of Education, Judiciary, City and County of Honolulu Department of the Prosecuting Attorney, and the Hawaii State Teachers Association submitted testimony in support of this measure.

Your Committee believes that this measure will help address the shortage of alternative programs and provide additional educational opportunities for juveniles in the criminal justice system. To that end, your Committee suggests that the Department of Education consider its High Core Program as a potentially successful model for the new alternative schools to be funded by this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 237, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 569 Judiciary on H.B. No. 776

The purpose of this measure is to afford the State of Hawaii the same right as private individuals when it is sued in tort by allowing the State to demand a jury trial in the same manner and to the same extent as a private individual in a tort action.

The Department of the Attorney General and Activities & Attractions Association of Hawaii supported this measure. Hawaii Justice Association opposed this measure.

Your Committee has amended this measure by:

- (1) Specifying in the preamble that the purpose of this Act is to afford all parties with the same right to elect a jury trial in tort actions brought against the State pursuant to Chapter 662, Hawaii Revised Statutes (HRS);
- (2) Expanding the right to demand a jury trial in an action against the State under Chapter 662, HRS, to any party; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 776, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 776, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 570 Judiciary on H.B. No. 632

The purpose of this measure is to make state government more open and transparent by, among other things:

- (1) Requiring all executive branch departments to make appropriate and existing electronic data sets maintained by the departments available to the public;
- (2) Absolving the State from liability for certain deficiencies or incomplete data;
- (3) Requiring the Chief Information Officer, in consultation with the Office of Information Practices, to adopt rules to make data sets available to the public; and
- (4) Appropriating an unspecified sum to the Office of Information practices to establish an unspecified number of full time employee positions to promote open data, and to the Department of Accounting and General Services for departments and agencies to provide open data coordinators.

Hawaii Health Information Corporation, Hawaii Open Data, and numerous individuals supported this measure. A concerned individual opposed this measure. The Department of Public Safety, Office of Information Management and Technology, Department of Accounting and General Services, and Office of Information Practices provided comments.

Your Committee has amended this measure by:

- (1) Revising the preamble to clarify the intent of the measure;
- (2) Providing that departments are not required to make datasets available upon demand;
- (3) Adding restrictions to the disclosure of protected data and licensed data;
- (4) Clarifying the definition of "open data";
- (5) Eliminating the requirement that the Chief Information Officer, in consultation with the Office of Information Practices, adopt rules, and instead requiring the adoption of adopt policies and procedures including technical requirements and guidelines;
- (6) Expanding the purpose of the departments' appropriations; and
- (7) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 632, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 632, H.D. 2.

Signed by all members of the Committee except Representatives Ito, Kawakami and Thielen.

SCRep. 571 Judiciary on H.B. No. 873

The purpose of this measure is to add a new part to chapter 346, Hawaii Revised Statutes, to provide for the care and supervision of eligible foster youth until their twenty-first birthday.

The Judiciary; the Department of Human Services; Epic 'Ohana, Inc.; Family Programs Hawaii; Hawaii Youth Services Network; Legal Aid Society of Hawaii; National Association of Social Workers-Hawaii Chapter; and numerous concerned individuals submitted testimony in support.

Following the receipt of testimony, a proposed draft was circulated to your Committee members prior to decision making. In accordance with that draft, your Committee has amended this measure by:

- (1) Specifying that young adults have a right to receive meaningful court reviews and to request competent legal counsel;
- (2) Allowing the Department of Human Services (Department) to begin providing extended foster care services to an eligible young adult prior to the filing of the petition invoking the jurisdiction of the court or the court's determination of jurisdiction in the matter;
- (3) Amending the information required in the petition invoking the jurisdiction of the court to include a statement of facts supporting the eligibility of the young adult for foster care services instead of the facts supporting the voluntary foster care agreement;
- (4) Decreasing the amount of time for the court to make a determination as to whether extending foster care services is in the young adult's best interests once a petition invoking jurisdiction is filed;

- (5) Clarifying that the court shall set a periodic review within one hundred and eighty days of the signing of a voluntary care agreement;
- (6) Clarifying that a case plan shall:
 - (A) Establish goals for the young adult;
 - (B) Describe the services needed to assist the young adult to achieve the goals established; and
 - (C) Describe the methods for achieving the goals and objectives established;
- (7) Specifying that the Department's required report to the court shall describe the young adult's progress in achieving the goals of the case plan, any proposed revisions to those goals, and any proposed revisions to the methods for achieving the goals of the case plan;
- (8) Specifying that all documents, reports, or records relating to the young adult shall be confidential and released only with the consent of the young adult or by the consent of the court for good cause shown;
- (9) Authorizing the court to appoint an attorney to the young adult sua sponte or at the request of any related party if it is determined to be in the young adult's best interest, and authorizing the court to pay for the appointment if necessary; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 873, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 873, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Kawakami.

SCRep. 572 Energy & Environmental Protection on H.B. No. 448

The purpose of this measure is to:

- (1) Require public utilities importing liquefied natural gas into the State to file annual reports with the Public Utilities Commission (PUC) regarding the amount, source, and extraction information of all liquefied natural gas imported; and
- (2) Require the PUC to conduct an investigative proceeding to examine the risks and benefits of liquefied natural gas and to report regularly during the proceeding's pendency to the Legislature prior to the convening of each regular session.

The Sierra Club Maui Group, Environmental Caucus of the Democratic Party of Hawaii, Life of the Land, and several individuals testified in support of this measure. HAWAIIIGAS and an individual testified in opposition to this measure. The Department of Commerce and Consumer Affairs; the Public Utilities Commission; Sierra Club, Hawaii Chapter; Blue Planet Foundation; and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring that public utilities importing liquefied natural gas into the State file annual liquefied natural gas reports with the PUC that contain information as determined by the PUC;
- (2) Requiring that the Department of Business, Economic Development, and Tourism report to the 2014 Legislature on the costs, benefits, feasibility, and impact of importing and selling liquefied natural gas in the State, including recommendations on needed metrics and reporting requirements; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 448, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 448, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 573 Energy & Environmental Protection on H.B. No. 903

The purpose of this measure is to improve the State's ability to manage and reduce nonpoint source pollution and wastewater system pollution by:

- (1) Authorizing the Director of Health to set and charge fees to owners of individual wastewater systems for nonpoint source pollution management plan applications; and
- (2) Creating a separate water pollution control account within the Water Pollution Control Revolving Fund.

The Department of Health, Department of Land and Natural Resources, Office of Planning, Conservation Council for Hawaii, Surfrider Foundation, International Coastal Cleanup Get the Drift & Bag It!, and a few individuals provided testimony in support of this measure. 4 Ag Hawaii; Big Island Dairy; Hawaii Cattleman's Council; Hawaii Egg Producers Association; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Alexander & Baldwin, Inc.; Syngenta Hawaii, LLC, Ponoholo Ranch, Ltd; McCandless Ranch; FAT Law's Farm, Inc.; Kau Farm Bureau; and several

individuals provided testimony in opposition to this measure. The Department of Agriculture and the City and County of Honolulu Department of Environmental Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Exempting farming operations consisting of less than ten acres and landowners owning property of less than ten acres in area from the requirement to obtain approval of a management plan from the Director of Health prior to discharging any water pollutant from a nonpoint source into state waters or causing and allowing any water pollutant to enter state waters from a nonpoint source;
- (2) Requiring the Director of Health to establish an outreach program to assist landowners and owners of individual waste water systems with applications and provide education on nonpoint source pollution prevention measures, upgrades, and sewer connections;
- (3) Providing that a person shall not incur penalties or fines until one year has passed from the date of service of notice specifying the alleged violation;
- (4) Directing the Director of Health to prescribe a management plan application no later than July 1, 2014;
- (5) Requiring that the measure's management plan application requirements take effect on July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Health, should it consider this measure, to further consider the effects of the requirements of this measure on soil and water districts.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 903, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 903, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representative Coffman.

SCRep. 574 Energy & Environmental Protection on H.B. No. 451

The purpose of this measure is to ensure a fair market for fossil fuel energy sources sold by a distributor to a retailer. This measure will level the playing field by taxing fossil fuels at the same rate by extending the environmental response, energy, and food security tax currently levied on petroleum products to include gaseous fossil fuel products sold by a distributor to a retailer or end user of fossil fuels other than a refiner.

The Hawaii Natural Energy Institute at the University of Hawaii at Manoa; Sierra Club, Hawaii Chapter; and a couple of individuals testified in support of this measure. HAWAII GAS testified in opposition of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; and the Blue Planet Foundation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Expanding the fossil fuel sources subject to the environmental response, energy, and food security tax to include solid fossil fuels;
- (2) Changing its effective date to January 1, 2100, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 451, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Coffman.

SCRep. 575 Judiciary on H.B. No. 1147

The purpose of this measure is to encourage transparency in the elections process by:

- (1) Requiring noncandidate committees to identify certain top contributors in their advertisements;
- (2) Clarifying that any person, as defined in section 11-302, Hawaii Revised Statutes, who fails to file or files a substantially defective or deficient campaign spending report is subject to monitoring and penalties including fines;
- (3) Requires the Campaign Spending Commission (Commission) to make all reports filed with the Commission publicly available on the Commission's website in a searchable database;
- (4) Amends the contribution and expenditure reporting requirements for candidates, candidate committees, and noncandidate committees, including for noncandidate committees making only independent expenditures, by requiring certification that no expenditure has been coordinated with a candidate, candidate committee, or any agent of a candidate or candidate committee;
- (5) Expanding the information required to be included in any statement of information filed with the Commission for electioneering

communication expenditures to include:

- (A) The identity of executives or the board of directors who authorized the expenditure, if the expenditure was made by a noncandidate committee;
 - (B) The names of any clearly identifiable candidates and whether those candidates were supported or opposed; and
 - (C) The identity of certain top contributors;
- (6) Expanding the definition of "electioneering communication" to include any advertisement that broadcasted or published by electronic means;
 - (7) Amending disclosure requirements for advertisements;
 - (8) Repealing filing requirements specific to corporations; and
 - (9) Requiring the Commission to implement rules consistent with this measure and existing campaign spending laws within three hundred sixty days of this measure's passage, and to report to the Legislature.

Common Cause Hawaii, Life of the Land, Americans for Democratic Action/Hawaii, and several concerned individuals testified in support of this measure. The Department of the Attorney General, Campaign Spending Commission, League of Women Voters of Hawaii, and Internet Alliance provided comments.

Some testifiers raised questions about the applicability of the proposed disclosure of top contributors to advertisements made via text messaging and the Internet. Your Committee believes that the amended reference to advertisements made "by electronic means" sufficiently covers text and internet advertisements.

Your Committee has amended this measure by:

- (1) Decreasing the number of top contributors to be identified in advertisements paid for by a noncandidate committee that only makes independent expenditures from five to three;
- (2) Amending the definition of "top contributor" to mean a contributor who has contributed an aggregate amount of \$10,000 or more to a non-candidate committee within a twelve month period;
- (3) Amending the manner in which notice is required to be included in advertisements paid for by a noncandidate committee that only makes independent expenditures to account for committees with fewer than three, or no, top contributors;
- (4) Deleting language detailing the type of searchable database to be maintained by the Commission;
- (5) Deleting the mandate that the Commission adopt, amend, or repeal rules within the next three hundred sixty days, and report to the Legislature; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1147, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1147, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 576 Judiciary on H.B. No. 1027

The purpose of this measure is to provide protections to voters requiring assistance in the completion of their ballots by:

- (1) Specifying that voters requiring assistance in completing an absentee ballot shall not be assisted by the voter's employer, voter's union, or any candidate that is listed on the absentee ballot, including the provision of voter fraud penalties for these violations;
- (2) Providing that special elections conducted by mail are subject to the same requirement as absentee ballots;
- (3) Requiring that absentee voters affirm by signature that the ballot was completed in secrecy and without influence from others;
- (4) Requiring that absentee ballots contain information regarding election fraud, voter fraud, and related penalties; and
- (5) Requiring that all absentee ballots be kept by the county clerk for a certain period of time and be deemed government records as defined in section 92F-3, Hawaii Revised Statutes.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Common Cause Hawaii, IMU Alliance, and numerous individuals testified in support of this measure. The State of Hawaii Office of Elections, the Office of the City Clerk of the City and County of Honolulu, Kauai County Clerk, Maui County Clerk, and the League of Women Voters of Hawaii provided comments on this measure.

Your Committee encourages the Department of the Attorney General to investigate any allegation of election fraud under section 11-139, Hawaii

Revised Statutes, in an expeditious manner.

Your Committee has amended this measure by:

- (1) Deleting the new section proposed in chapter 15, Hawaii Revised Statutes, for purposes of consistency;
- (2) Amending section 11-139, Hawaii Revised Statutes, to effectuate the intent of the deleted proposed section, including the addition of voter fraud penalties for employers, agents of employers, agents of the voter's union, or candidates for office, who improperly assist voters in the completion of the voter's ballot;
- (3) Removing provisions requiring that all absentee ballots be deemed government records as defined in section 92F-3, Hawaii Revised Statutes; and
- (4) Specifying that special elections conducted by mail are subject to the same requirement as absentee ballots only in cases of voter assistance.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1027, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami, Lee and Thielen.

SCRep. 577 Judiciary on H.B. No. 1481

The purpose of this measure is to:

- (1) Exclude the Office of Governor or Lieutenant Governor from eligibility for partial public financing;
- (2) Require eligible candidates seeking to use partial public financing to submit an application to the Campaign Spending Commission (Commission) that includes the names, addresses, and signatures from two hundred registered voters from the district for which the candidate seeks office and two hundred qualifying contributions thirty days before the primary election upon which the Commission will base its decision of whether to certify the candidate;
- (3) Makes certification decisions made by the Commission final and conclusive;
- (4) Allows eligible candidates to raise funds in amounts that exceed the voluntary expenditure limits, subject to certain restrictions;
- (5) Establishes the maximum amount of public funds available in each election per candidate, but allows the candidate to receive supplemental public funds in proportion to the amount raised by the candidate in excess of the voluntary expenditure limits;
- (6) Allows, instead of requires, a candidate who has voluntarily agreed to limit expenditures and receives contributions in excess of the expenditure limit for an election to reserve the excess for use after the applicable election; and
- (7) Requires the disbursement of matching public funds to be made by check or automatic transfer of funds.

Americans for Democratic Action, Hawaii Chapter; Open Law Alliance; Voter Owned Hawaii; Malu Aina; and numerous concerned individuals supported this measure. The Campaign Spending Commission opposed this measure. The Office of the County Clerk of the County of Maui, Office of the County Clerk of the County of Kauai, Office of the City Clerk, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Establishing a comprehensive public funding program for candidates to the state Senate or House of Representatives modeled on the Hawaii County Council Public Funding Pilot Program established by Act 244, Session Laws of Hawaii 2008, which does the following:
 - (A) Amends the requirements for candidates to the state legislature by requiring:
 - (i) For candidates to the House of Representatives, two hundred signatures from registered voters from the district for which the candidate seeks office, and \$100 in qualifying contributions from fifteen of those registered voters; and
 - (ii) For candidates to the Senate, four hundred signature from registered voters from the district for which the candidate seeks office, and \$100 in qualifying contributions from thirty of those registered voters;
 - (B) Amends the formula by which public funding will be determined to be the average of statewide expenditures for the 1012 House of Representative and Senate races, minus the three highest and three lowest expenditure amounts to allow \$34,800 in funding for candidates to the House of Representatives, and \$68,000 in funding for candidates to the Senate;
 - (C) Prohibiting Candidates from raising or spending an additional monies or from receiving any other public monies;
 - (D) Deleting all reference to candidates for the House of Representatives or the Senate from the existing partial public funding program; and

- (E) Delaying the application of this program until the 2016 elections;
- (2) Making the bill effective in January 1, 2015 instead of 2013; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1481, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Kawakami and Thielen.

SCRep. 578 Health on H.B. No. 897

The purpose of this measure is to improve public health by:

- (1) Allowing only duly authorized agents of the Department of Health to inspect food establishments; and
- (2) Repealing the Advisory Council on Food Protection Practices.

The Department of Health provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 897 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 579 Finance on H.B. No. 51

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds to finance project appropriations contained in Acts of the Legislature for which the means of funding are designated as general obligation bond funds or reimbursable general obligation bond funds; and
- (2) Make a declaration of findings regarding the authorizations as required by the Constitution of the State of Hawaii.

The Department of Budget and Finance testified in support of this measure.

Article VII, section 13, of the Constitution of the State of Hawaii requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare that the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance.

Your Committee finds that the total amount of principal and interest estimated for the general obligation bonds authorized under this measure, and for all bonds authorized and unissued and calculated for all bonds issued and outstanding, will not cause the debt limit of the State to be exceeded at the time of issuance.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 51 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Ward.

SCRep. 580 Human Services on H.B. No. 1207

The purpose of this measure is to improve health care services by requiring the Department of Human Services to submit interim reports to the Legislature prior to the Regular Sessions of 2014, 2015, and 2016, and a final report to the Legislature prior to the Regular Session of 2017 on its compliance with the federal Patient Protection and Affordable Care Act of 2010 as it relates to Medicare and Medicaid.

The Department of Human Services and AlohaCare provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1207, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1207, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 581 Finance on H.B. No. 389

The purpose of this measure is to increase the amount of a state income tax refund that a taxpayer may designate to be paid over to specified trust funds, special funds, and special accounts.

Testimony in support of this measure was received from the Domestic Violence Action Center and a few concerned individuals. Comments on the measure were submitted by the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the income tax check-off allows taxpayers to support organizations that provide critical community services by designating a portion of their income tax refund for this purpose. This measure increases from \$5 to \$10 the amount of an authorized income tax refund that may be designated payable to certain special funds or accounts that support those critical services.

Your Committee has amended this measure by changing the effective date to July 1, 2030, in order to promote continued discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 389, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 389, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ward.

SCRep. 582 Finance on H.B. No. 425

The purpose of this measure is to require offers in compromise that are submitted to the Department of Taxation to be accompanied by certain payments.

The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that an offer in compromise, if accepted by the Department of Taxation, is an agreement between a taxpayer and the Department of Taxation that settles the taxpayer's tax liabilities for less than the full amount owed. Under current administrative rules, each offer in compromise submitted to the Department of Taxation must be accompanied by a payment in the amount of the compromise, or a substantial deposit if the offer allows installment payments.

Your Committee also finds that this measure would codify the requirement that offers in compromise be accompanied by twenty per cent of the amount offered, in the case of a lump-sum offer in compromise, or the first installment, in the case of a periodic payment offer in compromise. Your Committee recognizes that these payment requirements are similar to those that apply to offers in compromise under the Internal Revenue Code.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 425, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 425, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Ward.

SCRep. 583 Finance on H.B. No. 800

The purpose of this measure is to make an emergency appropriation to support the Hawaii Refinery Task Force, which is established to assess the impacts to changes in Hawaii's refining capacity and to provide advice and recommendations on matters involving Hawaii's future fuels ecosystem.

More specifically, the measure appropriates \$145,000 in energy security special funds as an emergency appropriation to the Department of Business, Economic Development, and Tourism for fiscal year 2012-2013 to defray the task force's operational expenses.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

Your Committee finds that with the impending closure of Tesoro Hawaii's Kapolei refinery and the uncertain future of Hawaii's remaining Chevron refinery, the State must plan and prepare for changes in the State's refining capacity. The Task Force will assist in this endeavor by advising the Governor on issues relating to maintaining adequate and affordable fuel supplies to meet the State's energy needs. This measure will provide the necessary funding for coordination and operation of the Hawaii Refinery Task Force and enable the Energy Division of the Department of Business, Economic Development, and Tourism to fill a vacant position to provide critical staff support to the Task Force.

Your Committee amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 800, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 800, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Ward.

SCRep. 584 Judiciary on H.B. No. 87

The purpose of this measure is to ensure public safety at public housing projects. Specifically, this measure:

- (1) Expands the offense of criminal trespass in the first degree to include a person who enters or remains unlawfully in or upon the premises of a public housing project after a reasonable warning or request to leave by housing authorities or a police officer;
- (2) Excludes from the offense of criminal trespass in the first degree a guest invited by a resident of the public housing project, unless the guest is violating a law or a rule; and
- (3) Adds definitions of "housing authorities" and "invited guest".

The Hawaii Public Housing Authority supported this measure. The Office of the Public Defender and American Civil Liberties Union of Hawaii opposed this measure. The Department of the Attorney General offered comments on the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 87 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito and Wooley.

SCRep. 585 Finance on H.B. No. 872

The purpose of this measure is to make an emergency appropriation of \$12,000,000 out of the nursing facility sustainability program special fund for fiscal year 2012-2013 to be used for purposes authorized by the nursing facility sustainability program special fund, including reimbursement of moneys advanced from the health care payments program.

Testimony in support of this measure was submitted by the Department of Human Services and the Healthcare Association of Hawaii.

Your Committee finds that the nursing facility sustainability program special fund was established by Act 156, Session Laws of Hawaii 2012, to help fund increasing health care costs for Medicaid enrollees in private nursing facilities. However, because of a technical omission, moneys in the special fund could not be expended as intended. Instead, moneys from the health care payments program were used to make supplemental payments to nursing facilities so that payments would not be delayed. Accordingly, your Committee finds that this emergency appropriation is necessary to reimburse the moneys advanced from the health care payments program and to continue to make timely supplemental payments to nursing facilities from the nursing facility sustainability program special fund for the rest of the fiscal year.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 872 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 586 Finance on H.B. No. 436

The purpose of this measure is to require that physicians who are appointed by the Director of Labor and Industrial Relations to examine injured employees, specialize in a field of medicine appropriate for an employee's injury.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; ILWU Local 142; Hawaii State AFL-CIO; United Public Workers AFSCME, Local 646, AFL-CIO; and one concerned physician. The Property Casualty Insurers Association of America submitted testimony in opposition to this measure. Your Committee received comments on this measure from the Department of Human Resources Development and the Hawaii Injured Workers Association.

Your Committee finds that an evaluation of an injured employee by a physician who lacks the specialized knowledge and training in an area appropriate to the employee's injury may result in a delay in necessary treatment of the injured employee or an unsatisfactory outcome of the workers' compensation claim. This measure, however, will ensure that a claimant receives an appropriate medical examination that contributes to a prompt resolution of the employee's injury, which will benefit both the injured employee and employer.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 436, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 587 Finance on H.B. No. 435

The purpose of this measure is to establish the Office of Talent Management within the Department of Human Resources Development to develop and improve employee performance, leadership, and management and to appropriate funds for this purpose.

The Department of Human Resources Development submitted testimony in support of this measure.

Your Committee finds that the Office of Talent Management will enable the State to fulfill the needs of a modern workforce. Attracting and retaining skilled employees is crucial to the success of any business or government agency. This measure would ensure such success by:

- (1) Establishing comprehensive management training for state supervisors, administrators, and managers;
- (2) Instructing and training state employees to improve individual job performance, while providing a highly skilled workforce for state agencies; and
- (3) Assisting state agencies in assessing whether organizational goals and objectives are being met.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 435, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 435, H.D. 1.

Signed by all members of the Committee.

SCRep. 588 Finance on H.B. No. 750

The purpose of this measure is to establish the Hawaii island technology exchange institute at the University of Hawaii at Hilo.

Testimony in support of this measure was received from the University of Hawaii at Hilo and several concerned individuals.

Your Committee finds that to be successful in the twenty-first century global economy, Hawaii must position itself as a leader in science and technology, in particular, technology development, transfer, and commercialization.

Your Committee has amended this measure by:

- (1) Revising the description of the enumerated purposes of the institute to emphasize technology development and innovation, technology transfer systems, and commercialization and income generation for sustainable technology development; and
- (2) Making technical nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 750, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 750, H.D. 2.

Signed by all members of the Committee.

SCRep. 589 Finance on H.B. No. 879

The purpose of this measure is to extend for one year, until June 30, 2014, the sunset date of the hospital sustainability program.

This measure also makes some adjustments to the program and appropriates funds for the program out of the hospital sustainability program special fund.

Testimony in support of this measure was received from the Department of Human Services, Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Rehabilitation Hospital of the Pacific, The Chamber of Commerce of Hawaii, and the Queen's Health Systems.

Your Committee finds that the hospital sustainability program leverages available federal funds for the Department of Human Services to make supplemental payments to hospitals to help offset the hospitals' uncompensated care costs, thereby increasing the sustainability of Hawaii's hospitals.

Your Committee has amended this measure by:

- (1) Changing the effective date of the measure to July 1, 2030, in order to facilitate continued discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 879, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 879, H.D. 2.

Signed by all members of the Committee.

SCRep. 590 Finance on H.B. No. 880

The purpose of this measure is to extend the Nursing Facility Sustainability Program.

More specifically, this measure:

- (1) Extends the repeal date of the Nursing Facility Sustainability Program to June 30, 2014; and
- (2) Appropriates \$12,000,000 out of the nursing facility sustainability program special fund to be used for purposes consistent with the special fund.

Testimony in support of this measure was submitted by the Department of Human Services, Healthcare Association of Hawaii, Hawaii Health Systems Corporation, Hale Makua Wailuku, Pearl City Nursing Home, Hale Makua Health Services, and Hawaii Long Term Care Association.

Your Committee finds that the Nursing Facility Sustainability Program leverages available federal funding for the Department of Human Services to make supplemental payments to nursing facilities to help offset their uncompensated care costs, thereby promoting the sustainability of long-term care facilities in the State. This measure will benefit Hawaii residents by enabling nursing facilities to continue to provide much needed long-term care services.

Your Committee has amended this measure by:

- (1) Deleting references to "QUEST" and "section 1115 demonstration waiver," including the definition of the latter term, in sections 1 and 2 of Act 156, Session Laws of Hawaii 2012, for consistency with other provisions in the measure;
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 880, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 880, H.D. 2.

Signed by all members of the Committee.

SCRep. 591 Finance on H.B. No. 918

The purpose of this measure is to permit the Department of Labor and Industrial Relations to temporarily use employment and training fund moneys to administer, manage, report, and oversee Title I programs funded under the federal Workforce Investment Act of 1998.

The Department of Labor and Industrial Relations and a private individual testified in support of this measure.

Your Committee finds that programs funded under the federal Workforce Investment Act are primarily intended to help adults, dislocated workers, youth, and other target groups with relevant training programs and intensive job counseling services designed to help them become better prepared for new careers. However, since 2011, the amount of funds that may be used to administer Workforce Investment Act programs has been reduced by sixty-seven per cent, while the State's responsibilities regarding program management, administration, reporting, and oversight have remained the same.

Your Committee finds that this measure provides temporary funding to assist the Department of Labor and Industrial Relations in fulfilling its federally mandated responsibilities to provide certain workforce training programs until a longer-term solution is derived.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to facilitate further discussion on the measure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 918, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 918, H.D. 1.

Signed by all members of the Committee.

SCRep. 592 Finance on H.B. No. 514

The purpose of this measure is to effectively transfer the state income tax and obligations exemption for public housing agencies from the chapter of Hawaii Revised Statutes relating to the Hawaii Housing Finance and Development Corporation to the chapter relating to the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority submitted testimony in support of this measure. The Hawaii Housing Finance and Development Corporation and the Tax Foundation of Hawaii submitted comments on this measure.

Your Committee finds that this measure is intended to be a housekeeping measure that moves the state tax exemption for income earned and obligations issued by a public housing agency to the appropriate chapter of the Hawaii Revised Statutes. However, your Committee is concerned that repealing the exemption in section 201H-37, Hawaii Revised Statutes, relating to the Hawaii Housing Finance and Development Corporation, may have the unintended effect of restricting any future private for-profit or nonprofit organization from producing low-income housing in the community.

Accordingly, your Committee has amended this measure by:

- (1) Deleting Section 2, which would have repealed the tax exemption in section 201H-37, Hawaii Revised Statutes, and making necessary conforming technical amendments; and

- (2) Changing the effective date to July 1, 2030, to encourage further discussion on this matter.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 514, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 514, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 593 Finance on H.B. No. 518

The purpose of this measure is to appropriate \$1,500,000 for the Rent Supplement Program for working individuals or families who are ready to rent permanent housing to obtain and maintain permanent housing.

The Hawaii Public Housing Authority and one individual submitted written comments in support of this measure. One individual submitted written testimony in opposition to this measure. The Department of Human Services, Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, and Partners in Care submitted written comments.

Your Committee finds that many hardworking individuals and families remain in transitional housing programs because they cannot afford permanent, market-level housing. Providing a rent supplement would allow these individuals and families to transition from these temporary shelters to permanent housing. Moreover, your Committee finds that this approach would, in turn, provide housing opportunities to those individuals and families awaiting intake into transitional shelters.

Your Committee further finds that this measure prohibits any individual or family who receives public assistance or other government benefits or entitlements from receiving moneys appropriated by the measure. This prohibition would exclude individuals or families who receive assistance through the Temporary Assistance for Needy Families Program, the Supplemental Nutrition Assistance Program, or federal disability benefits. Your Committee finds that low income individuals and families who would otherwise qualify for funds under this measure may also require assistance from other programs to achieve a minimal standard of living in Hawaii.

Accordingly, your Committee has amended this measure by:

- (1) Appropriating an unspecified sum for the Rent Supplement Program for homeless working individuals or families who are ready to rent permanent housing to obtain and maintain permanent housing;
- (2) Deleting the provision that prohibits any individual or family who receives public assistance or other government benefits or entitlements from receiving money appropriated by this measure and instead specifying that the rent supplement shall be available via participation in a workforce development or similar program;
- (3) Capping the rent supplement at \$300 after households pay a minimum per cent of adjusted income for rent;
- (4) Changing the effective date to July 1, 2030, to facilitate further discussion on the issue; and
- (5) Making a technical nonsubstantive amendment for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 518, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 518, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 594 Finance on H.B. No. 519

The purpose of this measure is to provide housing and support services for chronically homeless individuals.

More specifically, this measure appropriates \$1,000,000 out of the general fund to the housing first special fund, to be expended by the Department of Human Services to continue Housing First programs.

Testimony in support of this measure was submitted by the Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities of Hawaii, and Partners In Care.

Written comments were submitted by the Department of Human Services.

Your Committee notes that Housing First programs provide housing and critical support services to the chronically homeless, one of the State's most vulnerable populations. Your Committee finds that continued support of these programs is in the public interest.

Your Committee has amended this measure by:

- (1) Adding an appropriation of unspecified amounts from the housing first special fund, to clarify the Department of Human Services' authority to expend general fund moneys being deposited in the housing first special fund;
- (2) Changing the general fund appropriation to unspecified sums;

- (3) Amending the effective date to July 1, 2030, to facilitate continuing discussion on the measure; and
- (4) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 519, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 519, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 595 Finance on H.B. No. 762

The purpose of this measure is to provide for the preservation and protection of Washington Place.

Specifically, this measure:

- (1) Provides that the Department of Accounting and General Services shall be responsible for the administration, management, operation, and maintenance of Washington Place, including the grounds; and
- (2) Establishes the Washington Place trust fund for salaries, benefits, and expenses related to preserving and protecting Washington Place.

The Department of Accounting and General Services submitted testimony in support of this measure.

Your Committee finds that in 2012, funding for the management and operation of Washington Place was transferred to the Department of Accounting and General Services. This measure codifies the transfer and requires that all rents and fees collected for the use of Washington Place be deposited into a trust fund to be expended by the Department of Accounting and General Services for the repair, maintenance, and upkeep of the facility.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 762, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 762, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 596 Finance on H.B. No. 922

The purpose of this measure is to increase the efficiency of the Department of Labor and Industrial Relations in resolving disputes relating to treatment plans and continued medical services in workers' compensation cases.

More specifically, this measure authorizes the Director of Labor and Industrial Relations to make a decision on these disputes without a hearing, provided that both parties consent.

The Department of Labor and Industrial Relations; ILWU Local 142; and UPW, AFSCME Local 646, AFL-CIO, submitted testimony in support of the measure. Hawaiian Electric Company, Inc. submitted comments on the measure.

Your Committee finds that this measure would greatly increase the efficiency of the Department of Labor and Industrial Relations and allow injured workers, insurance carriers, and employers to receive more prompt decisions as to whether medical services will continue or whether a treatment plan will be approved or denied.

Your Committee has amended the measure by:

- (1) Clarifying that the consent of both parties must be mutual; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 922, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 922, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 597 Finance on H.B. No. 924

The purpose of this measure is to exempt the Hawaii Labor Relations Board from the requirement that hearing notices be sent by registered or certified mail, and to instead require those notices to be sent by first class mail.

This measure also repeals outdated language and updates statutory references.

The Department of Labor and Industrial Relations and the Hawaii Labor Relations Board submitted testimony in support of this measure.

Your Committee finds that this measure will make the resolution of collective bargaining disputes more efficient. In addition, the money saved by requiring hearing notices to be sent by first class mail instead of registered or certified mail can be used for other efficiency initiatives, including an electronic filing system.

Your Committee has amended this measure by clarifying that the exemption applies to hearings conducted under chapter 89, Hawaii Revised Statutes, not chapter 91, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 924, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 924, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 598 Finance on H.B. No. 928

The purpose of this measure is to reclassify as trust funds the following:

- (1) The unemployment compensation fund, established pursuant to section 383-121, Hawaii Revised Statutes;
- (2) The special compensation fund, established pursuant to section 386-151, Hawaii Revised Statutes;
- (3) The special fund for disability benefits, established pursuant to section 392-61, Hawaii Revised Statutes; and
- (4) The special premium supplementation fund, established pursuant to section 393-41, Hawaii Revised Statutes.

The Office of the Auditor, Department of Labor and Industrial Relations, and one concerned individual submitted testimony in support of this measure.

Your Committee finds that reclassifying these special funds that are administered by the Department of Labor and Industrial Relations as trust funds will implement the recommendation of the Auditor in Report No. 12-10. Your Committee believes that the reclassification of these funds will more closely align their statutory designation with their actual operation and administration.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, conformity, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 928, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 928, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 599 Finance on H.B. No. 353

The purpose of this measure is to fund efforts to control and mitigate the damage caused by the coffee berry borer to coffee farms in the State.

More specifically, this measure appropriates out of the agricultural development and food security special fund:

- (1) \$500,000 to the United States Pacific Basin Agricultural Research Center; and
- (2) \$330,000 to the Coffee Berry Borer Task Force.

Testimony in support of this measure was submitted by the Hawaii Farmers Union United, Kona Coffee Farmers Association, Wakefield Coffee, Fire Island Coffee, Kona Coffee Council, ANKK Ohana Farms/Kona King Coffee, Konaloha Farms, Mokulele Farm, Kona Quality Coffee, Cornwell Coffee, Kona Coffee Farmers Association, Molokai Farm Bureau, Second City Coffee, LLC, Ihilani Coffee Company, Mauka Meadows, DBA Dumaguin Farm, Hawaii Farmers United-Kona Chapter, Kona Essence, North Shore Farms, LLC, Blue Moon Kona Coffee, Hoshide Coffee, LLC/Hoshide Farms, Onouli Farms, LLC, Maigret Family Farm, Paradise Found Farm, Greenwell Farms, Inc., and fifty-one individuals.

Written comments were submitted by two individuals.

Your Committee finds that coffee is an important agricultural product in the State and that the coffee berry borer is an invasive species that has greatly reduced the yield of coffee crops from the Kona region and has the potential to adversely affect the coffee in other regions of the State. Funding efforts to control the damage from the infestation are critical to ensure the survival of the coffee farms in the State.

Your Committee has amended the measure by:

- (1) Deleting the appropriation to the United States Pacific Basin Agricultural Research Center;
- (2) Changing the funding source for the appropriation to the Coffee Berry Borer Task Force to the general revenues of the State and changing the amount appropriated to \$300,000;

- (3) Specifying that funds shall not be expended unless matched by not less than \$200,000 from private or other government sources;
- (4) Changing the fiscal year for the appropriation to 2014-2015;
- (5) Changing the expending agency to the Department of Agriculture;
- (6) Clarifying that the moneys are appropriated as a grant pursuant to 42F, Hawaii Revised Statutes;
- (7) Changing the effective date to July 1, 2030, to encourage further discussion of the measure; and
- (8) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 353, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 353, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 600 Finance on H.B. No. 430

The purpose of this measure is to exempt charitable deductions taken under Section 170 of the Internal Revenue Code from the temporary limit on the amount of itemized deductions claimable by certain taxpayers.

The University of Hawaii Foundation; The Chamber of Commerce of Hawaii; the Hawaii Alliance of Nonprofit Organizations; Aloha United Way; the Hawaii Substance Abuse Coalition; Goodwill Industries of Hawaii, Inc.; Catholic Charities Hawaii; YMCA of Honolulu; Hawaiian Humane Society; Hawaii Arts Alliance; Conservation Council for Hawaii; Boys & Girls Club of Hawaii; Maui Economic Development Board; Child & Family Service; Friends of the Library of Hawaii; The Nature Conservancy; Hawaii Catholic Conference; Hawaii Family Forum; The Salvation Army, Hawaiian & Pacific Islands Division; Hawaii Association of Independent Schools; Partners in Development Foundation; and ten private individuals testified in support of this measure.

The Office of the Governor; Department of Taxation; Tax Foundation of Hawaii; American Heart Association; and a private individual submitted comments on the measure.

Act 97, Session Laws of Hawaii 2011, established temporary cap amounts on itemized deductions for state income tax purposes. Your Committee finds that the limitation on itemized deductions has resulted in a disincentive for taxpayers to contribute to charitable organizations. This disincentive has caused a significant reduction in funding for charitable organizations throughout the State.

Your Committee notes that House Bill No. 860 also addresses the issue of restoring the incentive for taxpayers to make contributions to charitable organizations, by exempting charitable contributions from the cap amounts on itemized deductions. Your Committee finds that this latter approach would more effectively accomplish the goal of this measure.

Your Committee has amended this measure by:

- (1) Replacing its substantive contents with the contents of House Bill No. 860; and
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 430, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 430, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Ward.

SCRep. 601 Finance on H.B. No. 504

The purpose of this measure is to promote the efficient allocation of public funds between general funds and special, revolving, and trust funds by:

- (1) Clarifying the criteria to be used by the Auditor in analyzing proposed special funds or proposed revolving funds;
- (2) Expanding the Auditor's periodic five-year review of funds to include special funds as well as revolving funds and trust funds and adding the funds of the Department of Transportation and the Department of Defense to the schedule of reviews; and
- (3) Clarifying the criteria to be used by the Legislature in determining whether to establish or continue special funds and revolving funds.

Testimony in support of this measure was received from the Department of Budget and Finance and the Office of the Auditor. Comments on the measure were submitted by the Hawaii Primary Care Association, High Technology Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that because special and revolving funds should only be used for their specified purpose and cannot be used for other programs, efforts must be made to ensure that these funds are the most appropriate funding mechanism for the programs they support.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, continuity, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 504, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 504, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 602 Finance on H.B. No. 506

The purpose of this measure is to prohibit the State from paying or reimbursing contractors for the general excise tax.

The Office of the Auditor testified in support of this measure. The Department of Taxation submitted comments on the measure.

In a report entitled "Management Audit of the Department of Education's School Bus Transportation Services" (Report No. 12-07), the Auditor found that the Department of Education includes in its contracts with school bus service providers a provision specifying that the Department will pay the general excise taxes of these contractors. Your Committee finds that this measure implements the Auditor's recommendation that the general excise tax law (chapter 237, Hawaii Revised Statutes) be amended to explicitly prohibit the State from paying or reimbursing contractors for general excise taxes.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 506, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 506, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 603 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 293

The purpose of this measure is to emphasize the unique nature of the State of Hawaii and its individual islands by designating *Flavobacterium a'ki' a'.in' viv.ens* as the state microbe.

Numerous concerned individuals testified in support of this measure. A concerned individual provided comments.

Your Committee has amended this bill by clarifying the scientific name of the akia shrub and making other, technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 293, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 293, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 604 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1282

The purpose of this measure is to continue to recognize and honor Hawaii service members who have borne the incredible burden of war by:

- (1) Clarifying that members of the Hawaii National Guard or United States military reserves must have been activated into service at the time they were killed in action to be eligible to receive the Hawaii Medal of Honor; and
- (2) Allowing service members who commit suicide on the battlefield or while on deployment to be eligible to receive the Hawaii Medal of Honor if all other requirements for the Medal of Honor have been met.

The Department of Hawaii Veterans of Foreign Wars of the United States, National Association for Uniformed Services Hawaii Chapter, and a concerned individual testified in support of this bill. The State of Hawaii Department of Defense and several concerned individuals testified in opposition to this measure.

Your Committee has amended this bill by:

- (1) Deleting language that would have allowed service members who commit suicide on the battlefield or while on deployment to be eligible to receive the Hawaii Medal of Honor;
- (2) Inserting language to expand eligibility for the Hawaii Medal of Honor by including individuals who were killed in action while:
 - (A) Serving in direct support of military operations in a combat zone if that service was designated as such by the United States Department of Defense; and

- (B) Performing duty subject to hostile fire or imminent danger if that duty qualifies the individual for special military pay as determined by the United States Department of Defense;
- (3) Making conforming amendments to the purpose section of the bill to reflect the substantive provisions of the bill as amended; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1282, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1282, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 605 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1203

The purpose of this measure is to require:

- (1) An adjutant general appointee to hold the commission of at least a lieutenant general; and
- (2) The following promotions of an officer of the Hawaii Army or Air National Guard to be subject to the advice and consent of the Hawaii State Senate:
 - (A) A field grade officer being promoted to the rank of general officer; or
 - (B) A general officer being promoted to a higher general officer rank.

Numerous concerned individuals testified in support of this measure with amendments. Several individuals testified in opposition to this measure.

Your Committee has amended this bill by deleting its contents and replacing it with language that amends the eligibility requirements for appointment to the position of adjutant general. Specifically, the amended language:

- (1) Stipulates that, in order to serve, continue to serve, or be appointed to serve as adjutant general an individual must hold or have held a commission of at least an 0-5;
- (2) Provides a first preference for appointment to the position of adjutant general to a commissioned officer who possess at least five years of service as an active commissioned officer in the Hawaii National Guard, whether Army, Air, or both;
- (3) Provides a second preference for an active commissioned officer in the National Guard of the Armed Forces of any state or territory of the United States to serve as adjutant general over a commissioned officer in the Armed Forces of the United States or a reserve component thereof; and
- (4) Exempts the sitting adjutant general from the requirements of paragraphs (1) to (3) above.

Technical, nonsubstantive amendments were also made for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1203, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1203, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 606 Finance on H.B. No. 431

The purpose of this measure is to authorize and appropriate funds for public employees in collective bargaining unit (13) and their excluded counterparts, for Hawaii Employer-Union Health Benefits Trust Fund costs for fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that this measure serves a vehicle to fund collective bargaining unit (13) Hawaii Employer-Union Health Benefits Trust Fund costs in the event that an agreement is reached between the State and the exclusive representative of the public employees in collective bargaining unit (13).

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 431 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 607 Finance on H.B. No. 432

The purpose of this measure is to authorize and appropriate funds for cost items for public employees in collective bargaining unit (8) and their excluded counterparts, including Hawaii Employer-Union Health Benefits Trust Fund costs, for fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that this measure serves as a vehicle to fund collective bargaining unit (8) cost items in the event that the State and the exclusive representative for collective bargaining unit (8) reach an agreement regarding the cost items.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 432 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 608 Finance on H.B. No. 433

The purpose of this measure is to authorize and appropriate funds for Hawaii Employer-Union Health Benefits Trust Fund costs for public employees in collective bargaining unit (9) and their excluded counterparts, for the fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that this measure serves as a vehicle to appropriate funds for Hawaii Employer-Union Health Benefits costs for collective bargaining unit (9) that are currently under negotiation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 433 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 609 Finance on H.B. No. 434

The purpose of this measure is to authorize and appropriate funds for cost items for public officers and employees in collective bargaining unit (6) and their excluded counterparts, including Hawaii Employer-Union Health Benefits Trust fund benefits costs, for fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that this measure serves as a vehicle to authorize and appropriate funds for collective bargaining unit (6) cost items that are currently under negotiation, in the event the parties come to an agreement or an arbitration award is issued for the cost items prior to the end of the regular session of 2013.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 434 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 610 Finance on H.B. No. 816

The purpose of this measure is to appropriate funds for collective bargaining cost items for public employees in collective bargaining unit (1) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance; the University of Hawaii System; and the United Public Workers, AFSCME Local 646, AFL-CIO.

Your Committee finds that this measure promotes effective and orderly government operations by providing funds to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and the exclusive representative of collective bargaining unit (1).

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 816 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 611 Finance on H.B. No. 820

The purpose of this measure is to appropriate funds for collective bargaining cost items for the employees in collective bargaining unit (5) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that the appropriations are necessary to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and collective bargaining unit (5) for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 820 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 612 Finance on H.B. No. 822

The purpose of this measure is to appropriate funds for collective bargaining cost items for public employees in bargaining unit (7) and their excluded counterparts for fiscal biennium 2013-2015.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that these appropriations are necessary to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and bargaining unit (7) for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 822 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 613 Finance on H.B. No. 1162

The purpose of this measure is to appropriate and authorize funds for fiscal biennium 2013-2015, to cover collective bargaining cost items, including the Hawaii Employer-Union Health Benefits Trust Fund Costs, for the public officers and employees of collective bargaining unit (4) and their excluded counterparts.

Testimony in support of this measure was received from the Department of Budget and Finance.

Your Committee finds that this measure serves as a vehicle to authorize and appropriate funds for collective bargaining unit (4) cost items that are currently under negotiation, in the event that an agreement is reached or arbitration award issued prior to the end of the legislative session.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1162 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 614 Finance on H.B. No. 1163

The purpose of this measure is to authorize and appropriate funds for public employees in collective bargaining unit (3) and their excluded counterparts, for Hawaii Employer-Union Health Benefits Trust Fund costs for fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that this measure serves as a vehicle to fund collective bargaining unit (3) Hawaii Employer-Union Health Benefits Trust Fund costs in the event that an agreement is reached between the State and the exclusive representative of the public employees in collective bargaining unit (3).

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1163 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 615 Finance on H.B. No. 1164

The purpose of this measure is to authorize and appropriate funds for public employees in collective bargaining unit (2) and their excluded counterparts, for Hawaii Employer-Union Health Benefits Trust Fund costs for fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that this measure serves as a vehicle to fund collective bargaining unit (2) Hawaii Employer-Union Health Benefits Trust Fund costs in the event that an agreement is reached between the State and the exclusive representative of the public employees in collective bargaining unit (2).

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1164 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 616 Finance on H.B. No. 1168

The purpose of this measure is to appropriate funds for collective bargaining cost items for public employees in bargaining unit (13) and their excluded counterparts for fiscal biennium 2013-2015.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that these appropriations are necessary to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and bargaining unit (13) for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1168 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 617 Finance on H.B. No. 1169

The purpose of this measure is to appropriate funds in fiscal biennium 2013-2015 for collective bargaining cost items of public employees in bargaining unit (8) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that these appropriations are necessary to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and bargaining unit (8) for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1169 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 618 Finance on H.B. No. 1170

The purpose of this measure is to appropriate funds for the collective bargaining cost items of public employees in collective bargaining unit (6) and their excluded counterparts for fiscal biennium 2013-2015.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that the appropriations are necessary to cover the expected costs of implementing the collective bargaining agreement currently being negotiated between the State and bargaining unit (6), for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1170 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 619 Finance on H.B. No. 1171

The purpose of this measure is to appropriate funds for collective bargaining cost items for the public employees in collective bargaining unit (9) and their excluded counterparts for the fiscal biennium 2013-2015.

Testimony in support of this measure was submitted by the Department of Budget and Finance.

Your Committee finds that this measure serves as a vehicle to authorize and appropriate funds for collective bargaining unit (9) cost items that are currently in negotiations, in the event the parties reach an agreement or an arbitration award is issued prior to the end of the regular session of 2013.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1171 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 620 Finance on H.B. No. 521

The purpose of this measure is to authorize the issuance of general obligation bonds in an unspecified sum and appropriate the sum into the rental housing trust fund to finance affordable rental housing development.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Hawaii

Association of Realtors, Hawaii Appleseed Center for Law and Economic Justice, Partners in Care, Catholic Charities Hawaii, and three individuals. The Department of Budget and Finance submitted comments.

Your Committee finds that the Hawaii Housing Finance and Development Corporation uses the rental housing trust fund to finance the development of critically needed rental housing through public-private partnerships. The Corporation reports that during fiscal year 2012, the Rental Housing Trust Fund received \$37,000,000 in requests, but was only able to commit \$20,700,000 to four rental projects totaling three hundred seventeen units. Requests for awards to help finance an additional two hundred thirty units went unfunded due to a lack of available funds. Your Committee finds that the appropriation in this measure will provide greater flexibility to the Hawaii Housing Finance and Development Corporation to increase the inventory of affordable rental housing units in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 521 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 621 Finance on H.B. No. 868

The purpose of this measure is to eliminate the asset limit eligibility requirement for the Temporary Assistance for Needy Families program.

Testimony in support of this measure was received from the Department of Human Services, the Office of Community Services of the Department of Labor and Industrial Relations, the Hawaii State Commission on the Status of Women, the Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, American Civil Liberties Union of Hawaii, the American Association of University Women - Windward, and two concerned individuals.

Your Committee finds that elimination of the asset limit eligibility requirements for Hawaii's Temporary Assistance for Needy Families program will reduce administrative burdens on caseworkers without compromising the integrity of the program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 868 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 622 Finance on H.B. No. 964

The purpose of this measure is to amend the general excise tax law relating to scientific contracts with the United States to conform to the Internal Revenue Code.

The Department of Taxation testified in support of this measure. Pukoa Scientific testified in opposition to this measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the general excise tax exemption for scientific contracts with the United States was intended to allow local contractors to compete with out-of-state entities for scientific contracts with federal facilities. However, the exemption has created such an administrative burden for the Department of Taxation that ten per cent of the Department's audit staff is being used to evaluate claims for the exemption. Your Committee further finds that amending the exemption to follow parameters established by section 41 of the Internal Revenue Code would allow the Department to more efficiently administer the exemption.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 964, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 623 Finance on H.B. No. 983

The purpose of this measure is to repeal the Commission on Transportation within the Department of Transportation.

The Department of Transportation testified in support of this measure. A member of the Commission on Transportation testified in opposition to this measure.

The Commission on Transportation exists in an advisory capacity to the Director of Transportation on matters within the jurisdiction of the Department of Transportation. Your Committee finds that this measure abolishing the Commission will allow the Department of Transportation to streamline its operations.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 983, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 624 Finance on H.B. No. 917

The purpose of this measure is to require employers to provide employees with information on wages and rates of pay and to maintain accurate records of employee compensation.

The Department of Labor and Industrial Relations submitted testimony in support of this measure.

Your Committee finds that providing specific wage and rate of pay information to employees on their wage statements would keep employees better informed about their compensation and allow them to do more effective financial planning. Your Committee notes that requiring employers to keep accurate records of their employees' wages and rates of pay will also assist the Department's Wage Standards Division to be more effective when helping workers recover unpaid wages.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 917 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 625 Finance on H.B. No. 919

The purpose of this measure is to assist certain target populations in becoming contributing members of the community.

More specifically, this measure:

- (1) Exempts persons who have committed controlled-substance-related offenses from automatic disqualification from public employment if the position is exempt from the civil service, provided that reasonable safeguards exist to protect employees and the public; and
- (2) Clarifies civil service exemptions for positions filled by persons with severe disabilities or by students and for positions filled through federally funded programs or similar state programs.

Testimony in support of this measure was received from the Department of Labor and Industrial Relations and the Community Alliance on Prisons.

Your Committee finds that repealing the automatic disqualification from public employment for persons convicted of a controlled-substance-related offense will facilitate the successful reintegration of ex-offenders into the community. Your Committee also finds that updating and expanding civil service exemptions will enable the Department of Labor and Industrial Relations to assist other target populations who require more supervision and training to become productive members of the workforce.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 919 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 626 Finance on H.B. No. 921

The purpose of this measure is to enhance the processing of workers' compensation appeals by authorizing:

- (1) The Labor and Industrial Relations Appeals Board to take appropriate action to enforce its rules and orders, including the imposition of administrative and monetary sanctions; and
- (2) Workers' compensation litigants to file electronic notices of appeal with the appellate court.

The Department of Labor and Industrial Relations and ILWU Local 142 testified in support of this measure. The Chairperson of the Labor and Industrial Relations Appeals Board provided comments.

Your Committee finds that this measure promotes the efficient processing of workers' compensation appeals by providing the Labor and Industrial Relations Appeals Board express authority to enforce its rules and orders. Further, authorizing workers' compensation litigants to electronically file notices of appeal will improve government processes and increase productivity through the use of available technology.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 921 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 627 Finance on H.B. No. 925

The purpose of this measure is to streamline the employment security appeals process.

Specifically, the measure improves the processing of unemployment insurance claims by:

- (1) Revising the notice period for an unemployment insurance appeal hearing from fifteen days to twelve days before the initial hearing date; and

- (2) Authorizing a claimant or party to an appeal to elect to receive notices and appeal documents from the Employment Security Appeals Referee's Office electronically in lieu of mail.

The Department of Labor and Industrial Relations testified in support of this measure.

Your Committee finds that section 91-9.5(a), Hawaii Revised Statutes, requires written notice of a hearing to be mailed at least fifteen days prior to the hearing date, unless otherwise provided by law. This measure reduces the notice period for unemployment insurance appeals to twelve days prior to the hearing date, allowing the parties to receive an earlier hearing date and appeal decision. In addition, this measure permits the delivery of appeal notices and documents through faster, more efficient, and cost-effective electronic means.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 925 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 628 Finance on H.B. No. 926

The purpose of this measure is to improve the operations of the Hawaii Labor Relations Board in hearing appeals of occupational safety and health cases by:

- (1) Requiring the Board to provide written notice of hearing by first class mail rather than by registered or certified mail as required under current law; and
- (2) Specifying the Board's powers in conducting the hearings.

The Department of Labor and Industrial Relations and the Hawaii Labor Relations Board testified in support of this measure.

Your Committee finds that this measure will help the Hawaii Labor Relations Board realize savings that may be used more productively to develop an electronic filing system. Your Committee also finds that allowing the Board to have the same powers as the circuit courts relating to witness testimony and documentary evidence will clarify the Board's authority for conducting appeals.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 926 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 629 Finance on H.B. No. 927

The purpose of this measure is to authorize and emphasize the use of employment and training fund moneys to carry out training programs for small businesses included in the State's economic development strategy.

The Department of Labor and Industrial Relations submitted testimony in support of this measure.

Your Committee finds that small businesses often lack the necessary staff and resources to dedicate to workforce training. This measure will place an emphasis on using moneys in the employment and training fund to train and educate small business employees.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 927 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 630 Finance on H.B. No. 929

The purpose of this measure is to revise the employment and training fund assessment exemptions to reflect recent amendments to the unemployment compensation fund contribution rates.

The Department of Labor and Industrial Relations and one individual submitted testimony in support of this measure.

Your Committee finds that the maximum employer contribution rate to the unemployment compensation fund was increased from 5.4 per cent to 6.6 per cent by Act 263, Session Laws of Hawaii 2012. However, a corresponding amendment to the employment and training fund assessment was not made at that time. This measure will make the corresponding amendment to the employment and training fund assessment and provide clarification for employers that are exempt from the assessment.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 929 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Woodson.

SCRep. 631 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 524

The purpose of this measure is to officially recognize and honor fallen members of the armed forces in Hawaii. Specifically, this bill adopts,

establishes, and designates the Honor and Remember Flag as the State of Hawaii's emblem of service and sacrifice by the brave men and women of the United States Armed Forces who have given their lives in the line of duty.

The Department of Hawaii, Veterans of Foreign Wars of the United States; Vietnam Veterans of America; and numerous concerned individuals testified in support of this bill. The National Association for Uniformed Services, Hawaii Chapter, testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 524 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 632 Agriculture/Water & Land on H.B. No. 489

The purpose of this measure is to encourage and support diversified agriculture and agricultural self-sufficiency in Hawaii by providing, under certain circumstances, an exemption from building code and permit requirements for nonresidential buildings or structures on farms.

Hawaii Farm Bureau Federation; East Oahu County Farm Bureau; Land Use Research Foundation of Hawaii; Maui County Farm Bureau; Kauai County Farm Bureau; Hawaii Aquaculture and Aquaponics Association; Friendly Aquaponics, Inc.; Primavera Aquaponics, LLC; Hawaii Cattlemen's Council, Inc.; Maui Cattlemen's Association; Hawaii Crop Improvement Association; Local Food Coalition; Hawaii Tropical Flowers and Foliage Association Kauai Chapter; Kuahiwi Ranch; Maui Farmer's Union United; and several concerned individuals testified in support of this measure. The State Fire Council, County of Maui Department of Public Works, Historic Hawaii Foundation, and a concerned individual opposed this measure. The Department of Agriculture submitted comments.

Your Committees have amended this measure by:

- 1) Providing that the amended square-footage requirements in section 46-88(a)(1), Hawaii Revised Statutes, will be repealed on July 1, 2016, at which time the existing provisions will be reenacted; and
- 2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 489, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 489, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Cachola and Coffman.

SCRep. 633 Water & Land on H.B. No. 763

The purpose of this measure is to streamline processes associated with the State Building Code Council by:

- (1) Implementing procedures for the adoption and dissemination of uniform amendments made to the Hawaii State Building Code by at least three counties; and
- (2) Amending the membership of the State Building Code Council to include a member of the Department of Business, Economic Development, and Tourism with significant experience in elevator or fire safety and the Department of Accounting and General Services with significant experience in building design, and removing members belonging to the Department of Labor and Industrial Relations and the Department of Health, as well as the Comptroller.

The Department of Business, Economic Development, and Tourism testified in support of this measure. The Building Industry of Hawaii testified in opposition of this measure. The Department of Labor and Industrial Relations provided comments on this measure.

Your Committee notes that because this measure proposes various changes to the membership of the Hawaii State Building Code Council, it is important that the affected parties be given the opportunity to provide their input. Your Committee encourages further discussion on this measure so the affected parties will have the opportunity to voice concerns they may have and be included in the legislative process.

Your Committee has amended this measure by adding one member each from the Building Industry Association of Hawaii, General Contractors Association of Hawaii, Hawaii Construction Alliance, Subcontractors' Association of Hawaii, and the Department of Business, Economic Development, and Tourism, Hawaii State Energy Office, as well as retaining the members from the Department of Health and Department of Labor and Industrial Relations, to expand the State Building Code Council to eleven members.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 763, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 763, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 634 Water & Land on H.B. No. 932

The purpose of this measure is to reduce barriers to geothermal exploration and development by clarifying laws relating to the disposition, regulation, management, and use of mineral resources.

Specifically, this measure:

- (1) Amends definitions relating to "renewable energy producer," "geothermal resources," "geothermal resources exploration," and "mining lease";
- (2) Authorizes fees for notices of mining leases on reserved lands and for deposits by bidders prior to a public auction to be set by the Board of Land and Natural Resources rather than by statute;
- (3) Authorizes the Board of Land and Natural Resources to issue a mining lease for state lands to a renewable energy producer by a two-thirds vote, without public auction;
- (4) Authorizes the Board of Land and Natural Resources to set administrative fines or bring legal action to recover administrative fees and costs resulting from violations of the mineral rights statute;
- (5) Requires that all penalties, fees, and costs established and collected by the Department of Land and Natural Resources related to the reservation and disposition of government mineral rights be deposited into the special land and development fund;
- (6) Authorizes a right of private action by an injured party for violation of the laws relating to government mineral rights; and
- (7) Authorizes fines for violations of the mineral rights statute to be set by the Board of Land and Natural Resources rather than by statute, but subject to a statutorily-established maximum amount.

Testimony in support of this measure was received from the Department of Land and Natural Resources and the Department of Business, Economic Development, and Tourism. Testimony in opposition to this measure was received from a concerned citizen. Comments were received from the Office of Hawaiian Affairs.

Your Committee finds that statutory provisions pertaining to the regulation and management of mineral resources as they relate to renewable energy and geothermal resources need to be updated in order to provide clarity, reduce ambiguities, and conform to changes brought about by Act 97, Session Laws of Hawaii 2012, which among other things, authorized the expansion of geothermal exploration activities in the State. The elimination of statutory conflicts will, on the one hand, reduce barriers to implementation that could pose potential delays to geothermal exploration and development and, on the other hand, facilitate the disposition and regulation of the use and management of mineral resources.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 932, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 635 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.C.R. No. 5

The purpose of this measure is to:

- (1) Recognize the historical, cultural, and ancestral importance of kuleana lands to Native Hawaiian families; and
- (2) Urge the counties to support efforts to promote continued ancestral ownership of kuleana lands.

The Office of Hawaiian Affairs, the Oahu Council of the Association of Hawaiian Civic Clubs, and several individuals provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 5 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Coffman, Kawakami, Lee and Thielen.

SCRep. 636 Water & Land on H.C.R. No. 25

The purpose of this measure is to approve a land exchange between the Department of Land and Natural Resources and Hawaii Baptist School.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Hawaii Baptist Academy. One individual submitted testimony in opposition to this measure.

You Committee finds that a parcel of public land in Nuuanu, under the management of the Department of Land and Natural Resources, is currently leased to the Hawaii Baptist Academy pursuant to a long-term lease. In 2008, the Board of Land and Natural Resources approved, in principle, a proposal to transfer the parcel of public land in Nuuanu to Hawaii Baptist Academy in exchange for private land. In 2010, a parcel of private land in Waipahu was identified and the Board of Land and Natural Resources approved the proposed land exchange without performing a cultural assessment of the lands being exchanged and has not performed one to date.

A copy of the draft resolution proposing the land exchange was transmitted to the Office of Hawaiian Affairs not less than three months prior to the convening of the 2013 Regular Session to provide the Office of Hawaiian Affairs sufficient time to determine whether the land was government or crown lands prior to August 15, 1895, or was acquired by the State in exchange for government or crown lands. However, the Office of Hawaiian Affairs did not submit testimony supporting or opposing this measure or comments of any nature.

Your Committee further finds that the land in Waipahu is expected to create revenues for the Department of Land and Natural Resources which will help the Department to preserve and protect Hawaii's historic, cultural, and natural resources. Adoption of this measure is required to implement the proposed land exchange.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 25 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Hanohano and Fale voted no.)

SCRep. 637 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 14

The purpose of this measure is to urge:

- (1) The United States to recognize the recovery of the Hawaiian green sea turtle and begin active management of this species; and
- (2) The United States Fish and Wildlife Service to designate the Hawaiian green sea turtle as a distinct population segment and delist it from the threatened species list under the Endangered Species Act.

The Association of Hawaiian Civic Clubs, Maunaloa Hawaiian Civic Club, Outrigger Enterprises Group, and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources, Center for Biological Diversity, The Humane Society of the United States, Turtle Island Restoration Network, Animal Rights Hawaii, Conservation Council for Hawaii, For the Fishes, and numerous individuals provided testimony in opposition to this measure. A few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 14 and recommends its adoption.

Signed by all members of the Committee except Representatives Coffman, Kawakami and Lee.

SCRep. 638 Judiciary on H.B. No. 740

The purpose of this measure is to reduce the consumption of alcohol on any sidewalk or common area within any public housing project or state low-income housing project by prohibiting the possession or storage of any bottle, can, or other receptacle containing intoxicating liquor that has been opened, has its seal broken, or has its contents partially removed.

The Hawaii Public Housing Authority and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 740 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 639 Judiciary on H.B. No. 788

The purpose of this measure is to clarify reporting requirements for employers by defining "new hire" for the purposes of an employer's duty in relation to child support enforcement in order to comply with amendments made to the Social Security Act by the Trade Adjustment Assistance Extension Act of 2011.

The Department of the Attorney General supported this bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 788 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Wooley and McDermott.

SCRep. 640 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1089

The purpose of this measure is to designate the month of October as Kalo Appreciation Month to promote kalo cultivation and appreciation.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1089, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 641 Consumer Protection & Commerce/Judiciary on H.B. No. 998

The purpose of this measure is to make permanent a prohibition on private fees for future transfers of real property.

More specifically, this measure permanently prohibits the inclusion in a deed of a restriction or other covenant running with the land that requires a transferee of real property to pay a fee in connection with a future transfer of the property.

Testimony in support of this measure was submitted by the Hawaii Association of Realtors.

Act 169, Session Laws of Hawaii 2010, provided a temporary prohibition on the inclusion in a deed of a restriction or other covenant running with the land that requires a transferee of real property to pay a fee in connection with a future transfer of the property. Prior to this Act, there was no state regulation of the imposition, application, or limitation of private transfer fees for future property transfers and, therefore, no oversight or accountability with respect to recipients of the fees. Your Committees note that presently thirty-six states have either banned or placed conditions on the use of private transfer fees. Your Committees find that, if left unregulated, private transfer fees for future property transfers may be misused or may create significant financial barriers to homeownership for real property buyers. Accordingly, your Committees believe the prohibition on private transfer fees should be made permanent.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 998 and recommend that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Carroll, Har, Ito, Wooley and Thielen.

SCRep. 642 Economic Development & Business on H.B. No. 560

The purpose of this measure is to authorize the Hawaii Housing Finance and Development Corporation and Hawaii Community Development Authority to develop programs that provide incentives for the development of housing projects that incorporate urban gardening programs.

A few concerned individuals testified in support of this measure. The Hawaii Housing Finance and Development Corporation submitted comments supporting the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 560, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Cachola.

SCRep. 643 Finance on H.B. No. 1339

The purpose of this measure is to help the Hawaii tourism industry retain its competitive edge in its promotional and marketing efforts and to increase efficiency in the Department of Taxation by repealing the \$10 daily transient accommodations tax collected each month for transient accommodations furnished on a complimentary or gratuitous basis.

The Department of Taxation, Hawaii Tourism Authority, Hawaii Lodging and Tourism Association, Kohala Coast Resort Association, Outrigger Hotels Hawaii, Starwood Hotels and Resorts, and Maui Hotel & Lodging Association supported this measure. The Tax Foundation of Hawaii offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1339, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 644 Finance on H.B. No. 551

The purpose of this measure is to provide fair rental policies for car-sharing organizations in Hawaii by prorating the Rental Motor Vehicle Surcharge Tax down to 12.5 cents per hour regardless of the length of time the car is rented.

The Blue Planet Foundation; EAN Holdings, LLC; and Sierra Club, Hawaii Chapter supported this measure. The Department of Transportation, Department of Taxation, and Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 551, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 645 Finance on H.B. No. 503

The purpose of this measure is to provide a General Excise Tax exemption on amounts received by farmers for the sale of fresh farm produce intended for consumption within the State.

The Kohala Center and several individuals testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Farm Bureau Federation offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 503, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 646 Finance on H.B. No. 478

The purpose of this measure is to increase access to fresh produce by Hawaii's schoolchildren by authorizing all Department of Education schools to grow food in school gardens for consumption in the school meals program under specified conditions. This measure also permits nonprofit organizations to establish and administer a fresh food distribution service if a school requests such a service.

The Office of Hawaiian Affairs, Kaiser Permanente Hawaii, and several individuals testified in support of this measure. The Department of Education, Hawaii Farm Bureau Federation, The Kohala Center, and a concerned individual offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 478, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 647 Finance on H.B. No. 673

The purpose of this measure is to better address public health and environmental issues relating to pesticide use by:

- (1) Requiring the Department of Agriculture to post information regarding the use of restricted use pesticides on its website; and
- (2) Requiring the Legislative Reference Bureau to conduct a study regarding other states' pesticide reporting and registration requirements and report its findings to the Legislature.

Kauai Rising; Ho'okipa Network, Kauai; Kauai Network for the Chemically Injured; and numerous individuals testified in support of this measure. The Hawaii Crop Improvement Association opposed this measure. The Department of Land and Natural Resources, Hawaii County Council, Hawaii Farm Bureau Federation, Hawaii Pest Control Association, Occupy Monsanto Maui, Babes Against Biotech, and numerous individuals offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 673, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 648 Finance on H.B. No. 747

The purpose of this measure is to provide a General Excise Tax exemption for amounts received for the slaughter and processing of poultry and livestock produced in the State and to be consumed in the State.

Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; and a few individuals testified in support of this measure. Animal Rights Hawaii and two individuals testified in opposition to this measure. The Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 747, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 649 Finance on H.B. No. 1365

The purpose of this measure is to promote agricultural innovation and greater food security in Hawaii by appropriating funds to establish a rooftop garden on the fifth floor of the Hawaii State Capitol building.

The Department of Agriculture, FarmRoof, and several individuals testified in support of this measure. The Department of Accounting and General Services, Historic Hawaii Foundation, and one concerned individual offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1365 and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representative Kobayashi voted no.)

SCRep. 650 Finance on H.B. No. 643

The purpose of this measure is to address youth gang behavior and related issues through a comprehensive and coordinated statewide community-based effort by appropriating funds for a Youth Gang Response System that will:

- (1) Be coordinated by the Department of Human Services Office of Youth Services;
- (2) Include the participation of other relevant state and county agencies; and

- (3) Incorporate the critical elements of law enforcement and intelligence, training and awareness, community intervention, community prevention, information, and evaluation.

The Department of Education, Honolulu Police Department, Adult Friends for Youth, and two concerned individuals supported this measure. The Office of Youth Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 643, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 651 Finance on H.B. No. 986

The purpose of this measure is to increase the monthly board rate for foster care services for children by:

- (1) Requiring the Department of Human Services (DHS) to increase the rate of the monthly board payment made by DHS to foster boarding home parents, group homes, and child caring institutions; and
- (2) Appropriating an unspecified amount of funds for the purposes in the measure.

Family Programs Hawai'i; Hale 'Opio Kaua'i, Inc.; Hawaii Youth Services Network; Olomea; and numerous concerned individuals supported this measure. DHS and a concerned individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 986, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 652 Finance on H.B. No. 266

The purpose of this measure is to enhance language access in Hawaii for those individuals whose primary language is not English. Specifically, this bill:

- (1) Requires the Office of Language Access, in collaboration with other state agencies, to implement a Multilingual Website Pilot Project to improve language access to information provided online for limited English proficient persons seeking information about government and government-funded services in the State of Hawaii;
- (2) Requires the Executive Director of the Office of Language Access to administer a Statewide Language Access Resource Center to address the interpretation and translation needs of the state; and
- (3) Provides appropriations for the Statewide Language Access Resource Center and the Multilingual Website Pilot Project.

The Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, Congress of Visayan Organizations, Office of Language Access Advisory Council, and several concerned individuals testified in support of this bill. The Office of Language Access, Office of Information Management and Technology, and Hawaii Interpreter Action Network provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 266, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 653 Finance on H.B. No. 358

The purpose of this measure is to increase neighbor island residents' participation in state government by requiring both chambers of the Legislature to establish procedures to enable neighbor island residents to present oral testimony at legislative committee hearings through the use of audiovisual technology, including by seeking out executive agency sites or facilities that have existing audio and audiovisual capabilities, and appropriating funds.

Hawaii Dental Hygienists' Association, Advocates for Consumer Rights, Country Talk Story, Na Kupuna Moku O Keawe, Ohana O Kaua'i, two members of the Maui County Council, and numerous individuals testified in support of this measure. An individual testified in opposition of this measure. The Office of Information Management and Technology, Department of Accounting and General Services, and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 358, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 654 Finance on H.B. No. 152

The purpose of this measure is to help align the workers' compensation medical fee schedule with the current cost of health care by increasing the

cap on allowable medical fees from 110 percent to 130 percent of the fees prescribed in the Medicare Resource Based Relative Value Scale beginning January 1, 2014.

The Department of Labor and Industrial Relations; ILWU Local 142; Hawaii State AFL-CIO; Hawaii Chapter, American Physical Therapy Association; Hawaii Injured Workers Association; Work Injury Medical Association of Hawaii; Hawaii Medical Association; Kaiser Permanente Hawaii; InVision Imaging; Hawaii State Chiropractic Association; and two concerned individuals supported this measure. The Department of Human Resources, City and County of Honolulu; The Chamber of Commerce of Hawaii; Hawaii Insurers Council; Property Casualty Insurers Association of America; Hawaiian Electric Company, Inc.; Maui Electric Company, LTD.; and Hawaii Electric Light Company, Inc., opposed this measure. The Department of Commerce and Consumer Affairs, Department of Human Resources Development, Healthcare Association of Hawaii, Work Star, and Solera provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 152, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 655 Finance on H.B. No. 269

The purpose of this measure is to amend the Hawaii State Constitution by requiring candidates for state legislative office to be a resident of the legislative district from which they are candidates for not less than twelve consecutive months prior to the next general election.

The Ironworkers Stabilization Fund and a concerned individual supported this measure. IMUAlliance opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 269, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 656 Finance on H.B. No. 410

The purpose of this measure is to create an exemption from service as a juror for breastfeeding mothers.

Breastfeeding Hawaii and a few concerned individuals supported this measure. The Hawai'i State Judiciary provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 410, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 657 Finance on H.B. No. 427

The purpose of this measure is to allow electronic copies, as an alternative to printed copies, of a bill to be made available for members of the house in which the bill is being voted upon for third or final reading in fulfillment of the forty-eight hour availability requirement.

One concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 427, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 658 Finance on H.B. No. 726

The purpose of this measure is to encourage new film, television, entertainment, digital media, and music video production in Hawaii by:

- (1) Extending the expiration date of the motion picture, digital media, and film production income tax credit to January 1, 2023;
- (2) Increasing the motion picture, digital media, and film production tax credit ceiling for each qualified production to an unspecified amount; and
- (3) Increasing, by an unspecified amount, the percentage of qualified production costs that may be claimed as a credit, in counties with a population both above or below 700,000 persons.

The Mayor of Maui County provided testimony in support of this measure. The Department of Taxation; Department of Business, Economic Development, and Tourism; SAG-AFTRA, International Alliance of Theatrical State Employees Mixed Local 665, American Federation of Musicians Local 677, and Hawaii Teamsters Local 996; NBC Universal Media, LLC; and Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 726, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 659 Finance on H.B. No. 1354

The purpose of this measure is to encourage access and diversity in higher education in the State by appropriating general funds for each year of fiscal biennium 2013-2015 to fund various positions supporting the University of Hawaii Pamantasan Council and its goals.

The University of Hawaii Pamantasan Council, Timpuyog Organization, JCI-Hawaii Filipino Junior Chamber, Hawaii Farm Bureau Federation, and numerous concerned individuals testified in support of this measure. The University of Hawaii at Manoa and two concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1354, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 660 Finance on H.B. No. 218

The purpose of this measure is to enhance the Corrections Population Management Commission's capacity to examine the issue of the disproportionate number of Native Hawaiians in the criminal justice system by adding two new members—the Administrator of the Office of Hawaiian Affairs and a member of the public who is knowledgeable about issues relating to the criminal justice system and has substantial experience or expertise in traditional Native Hawaiian practices.

The Department of Public Safety, the Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Ohana Hoopakele, Community Alliance on Prisons, and a few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 218, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 661 Finance on H.B. No. 499

The purpose of this measure is to:

- (1) Authorize the Hawaii Institute of Marine Biology at the University of Hawaii at Manoa to establish a research program on the stewardship of aquaculture and marine protected areas; and
- (2) Appropriate an unspecified amount of funds for the program on a matching basis with federal funds to enhance the Institute's ability to acquire federal research dollars for marine science research.

The Hawaii Aquaculture and Aquaponics Association and a few individuals provided testimony in support of this measure. The Hawaii Institute of Marine Biology of the University of Hawaii at Manoa provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 499, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 662 Finance on H.B. No. 1317

The purpose of this measure is to promote the rejuvenation of the Hawaiian language by appropriating funds to the Department of Human Services and the Department of Education to support programs for prekindergarten-aged children that promote fluency in the Hawaiian language and encourage its use in school and in the home.

The Department of Education, 'Aha Punana Leo, and numerous individuals submitted testimony in support of this measure. The Department of Human Services submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1317 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 663 Finance on H.B. No. 1424

The purpose of this measure is to appropriate general obligation bonds for the Department of Land and Natural Resources, in consultation with the Hawaiian Island Land Trust, to engage in efforts to acquire a parcel of land located at Lipoa Point for purposes of natural resource and community preservation.

Two councilmembers of the Maui County Council; Save Honolulu Coalition; The Strategy Group, Inc.; Surfrider Foundation, Maui Chapter; and numerous individuals provided testimony in support of this measure. The Department of Land and Natural Resources and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1424 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 664 Finance on H.B. No. 488

The purpose of this bill is to revise the statutory appraisal process to stabilize lease rents for agricultural and aquacultural public lands by, among other things:

- (1) Providing that the valuation of public agricultural or aquacultural land be based on the land's use for agriculture or aquaculture without regard to any value that the land might have for other purposes or uses, or to neighboring land uses;
- (2) Requiring that in certain specified situations, the cost of an appraisal be borne by the Department of Land and Natural Resources if it is greater than one year's existing rent; and
- (3) Specifying factors that must be considered when determining the fair market value and best use for agricultural and aquacultural lands.

The Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Local Food Coalition; Hawaii Aquaculture and Aquaponics Association; Ulupono Initiative; and one concerned individual testified in support of this measure. The Department of Land and Natural Resources opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 488, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 665 Finance on H.B. No. 166

The purpose of this measure is to assist veteran-owned and service-disabled veteran-owned small businesses by requiring that at least an unspecified percentage of the 20 percent set-aside that the Chief Procurement Officer may award to small businesses be awarded to veteran-owned and service-disabled veteran-owned small businesses in addition to any other preferences provided under the Procurement Code.

The Chamber of Commerce of Hawaii, National Association for Uniformed Services Hawaii Chapter, and National Veteran-Owned Business Association testified in support of this bill. The State Office of Veterans Services, State Procurement Office and General Contractors Association of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 166, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 666 Finance on H.B. No. 494

The purpose of this measure is to expand opportunities for appropriate creative social expression to enrich communities and reduce graffiti by establishing a pilot program under the direction of the State Foundation on Culture and the Arts for the creation of urban art on state-owned property.

The State Foundation on Culture and the Arts and the Department of Transportation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 494, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 667 Finance on H.B. No. 527

The purpose of this measure is to eliminate an outdated and unnecessary allowance provided to enlisted military personnel in the Hawaii National Guard for uniform maintenance by repealing statutory provisions establishing this allowance.

The State Adjutant General testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 527, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ward.

SCRep. 668 Finance on H.B. No. 1396

The purpose of this measure is to preserve, perpetuate, and share the legacy of the Japanese-American service members who served in the United

States Armed Forces during World War II, and those Japanese-American citizens detained in internment camps by appropriating funds for the planning, design, and construction of the Nisei Veterans Legacy Center and the Honouliuli Internment Camp Educational Center.

The Hawaii Civil Rights Commission, the State Office of Veteran Services, University of Hawaii West Oahu, Nisei Legacy Center, Japanese Cultural Center of Hawaii, and numerous concerned individuals supported this measure. Department of Land and Natural Resources and Department of Budget and Finance provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1396, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 669 Finance on H.B. No. 178

The purpose of this measure is to require social workers to complete the following continuing education credit hours as a condition of any license renewal occurring after the first license renewal:

- (1) A minimum of fifteen credit hours of continuing education courses for the licensing renewal period beginning July 1, 2013, through June 30, 2016; and
- (2) A minimum of forty-five credit hours of continuing education courses during each licensing renewal period beginning July 1, 2016.

The Social Worker Program of the Department of Commerce and Consumer Affairs; Hawaii State Commission on the Status of Women; Myron B. Thompson School of Social Work at the University of Hawaii at Manoa; National Association of Social Workers, Hawaii Chapter; Hawaii Psychological Association and many individuals submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 178, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 670 Finance on H.B. No. 424

The purpose of this measure is to address the problem of notarization of deeds and related instruments for timeshare interests in Hawaii that are executed in foreign jurisdictions in which notary publics are not common. Specifically, this bill authorizes the Governor to appoint Commissioners of Deeds to take acknowledgements, proofs of execution, or oaths related to the conveyance of timeshare properties located within the State and executed in such foreign jurisdictions.

The American Resort Development Association Hawaii; SVO Pacific, Inc.; Disney Vacation Development, Inc.; and Wyndham Vacation Ownership testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 424, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 671 Finance on H.B. No. 1150

The purpose of this measure is to expand the public's ability to obtain legal assistance in locating and recovering property presumed abandoned. Specifically, this bill exempts an owner's agreement with an attorney to file a claim for identified property or to contest the denial of a claim for the unclaimed property from the statutorily established cap on fees for anyone assisting an individual in recovering unclaimed property from the State Department of Budget and Finance.

The Collection Law Section of the Hawaii State Bar Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1150, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 672 Finance on H.B. No. 2

The purpose of this measure is to educate individuals about long term care. Among other things, this bill:

- (1) Appropriates funds to the Department of Health's Executive Office on Aging to administer a public education and awareness campaign on long-term care and obtain an independent evaluation of the campaign;
- (2) Establishes the goals of the campaign;

- (3) Allows the Executive Office on Aging to develop a public-private partnership to fund and administer the campaign; and
- (4) Requires the Director of the Executive Office on Aging to submit a report on the evaluation of the campaign to the Legislature no later than 20 days prior to the Regular Session of 2016.

The Policy Board for Elder Affairs, AARP, ILWU Local 142, Hawaii Alliance for Retired Americans, Faith Action for Community Equity, and several individuals testified in support of this measure. The Executive Office on Aging provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 673 Finance on H.B. No. 120

The purpose of this measure is to protect the health and safety of the public by enhancing public access to information collected by the Department of Health and Department of Human Services regarding certain care facilities while preserving the rights of these care facilities. Specifically, this bill:

- (1) Allows the Department of Health and the Department of Human Services to post information concerning major patient care violations at certain care facilities on their respective websites;
- (2) Specifies that the major patient care violation order must be final before the Department of Health and the Department of Human Services may post information concerning the major patient care violation;
- (3) Stipulates what information shall be posted on the respective department's website; and
- (4) Defines "major patient care violation".

The Policy Advisory Board for Elder Affairs and several concerned individuals testified in support of this bill. The Alliance of Residential Care Administrators, Adult Foster Homes of the Pacific, Adult Foster Home Association of Big Island, and numerous concerned individuals testified in opposition to this measure. The Department of Human Services, Department of Health, State Council on Developmental Disabilities, Executive Office on Aging, Adult Foster Homecare Association of Hawaii, Healthcare Association of Hawaii, ILWU Local 142, and numerous concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 120, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 674 Finance on H.B. No. 653

The purpose of this measure is to support the construction and renovation of health care facilities by authorizing the Department of Budget and Finance to issue special purpose revenue bonds to assist Hawaii Pacific Health.

Hawaii Pacific Health and the Healthcare Association of Hawaii submitted testimony in support of this measure. The Department of Budget and Finance provided comments on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 653 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 675 Finance on H.B. No. 914

The purpose of this measure is to address adult and child obesity in the State. Among other things, this bill:

- (1) Establishes the Hawaii Interagency Obesity Prevention Council within the Department of Health;
- (2) Requires the Hawaii Interagency Obesity Prevention Council to formulate a ten-year statewide plan to address adult and childhood obesity in Hawaii and advise the Governor on its implementation;
- (3) Establishes additional responsibilities of the Hawaii Interagency Obesity Prevention Council; and
- (4) Appropriates funds out of the Obesity Prevention Special Fund to support child and adult obesity prevention programs.

The Councilmember for District VIII of the City and County of Honolulu, University of Hawaii System, Beneficiary Advocacy Empowerment Committee of the Office of Hawaiian Affairs, and a concerned individual testified in support of this bill. The Department of Health and American Heart Association provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 914, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 676 Finance on H.B. No. 1432

The purpose of this measure is to support the State's elderly and aging population by appropriating an unspecified amount of funds to statewide aging and disability resource center sites in each county.

The Executive Office on Aging, State Council on Developmental Disabilities, County of Hawaii Office of Aging, Maui County Office on Aging, ILWU Local 142, Policy Advisory Board for Elder Affairs, Healthcare Association of Hawaii, AARP Hawaii, Project Dana, and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1432, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 677 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1423

The purpose of this measure is to address the collapsed pier at Mala Wharf on the island of Maui by establishing a task force, chaired by the Chairperson of the Board of Land and Natural Resources, to examine the feasibility of redeveloping the pier.

A concerned individual testified in support of this measure. The Department of Land and Natural Resources opposed this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1423, H.D. 1, and recommend that it pass Third Reading.

Signed by all members of the Committee except Representatives Kawakami and Lee.
(Representative Coffman voted no.)

SCRep. 678 Finance on H.B. No. 154

The purpose of this measure is to authorize the Chairperson of the Board of Agriculture to establish and fund a two-year industrial hemp remediation and biofuel crop pilot program to determine whether growing industrial hemp is an effective soil rejuvenation method and whether it can be used as a viable biofuel feedstock.

Vote Hemp and several concerned individuals testified in support of this measure. The Honolulu Police Department testified in opposition to this measure. The Department of Public Safety; Pacific Biodiesel Technologies; International Longshore and Warehouse Union, Local 142; and a concerned individual offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 154, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 679 Finance on H.B. No. 760

The purpose of this measure is to provide an opportunity for persons renting motor vehicles in Hawaii to make a voluntary contribution to be used toward environmental protection.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Historic Hawaii Foundation, Land Use Research Foundation, and The Nature Conservancy of Hawaii submitted testimony in support of the measure.

Your Committee finds that Hawaii's unique environment is a critical component of our tourism-based economy. Check-offs for voluntary contributions are used in thirty-six states to provide funding for conservation programs. Allowing persons who rent motor vehicles an opportunity to donate money to conservation activities is a proven way to raise funds to preserve and protect Hawaii's unique environment, which is critical to residents and beloved by those who visit Hawaii to experience its stunning natural beauty. This measure will allow visitors and residents alike a simple opportunity to assist in preserving and sustaining Hawaii's natural resources.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 760, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 680 Finance on H.B. No. 1112

The purpose of this measure is to improve the eastbound flow of traffic from Waipahu, Kunia, and Kapolei by requiring the Director of

Transportation to implement certain traffic mitigation measures.

A concerned individual submitted testimony in support of the measure. The Department of the Attorney General and Department of Transportation submitted testimony in opposition to the measure.

Your Committee finds that traffic congestion from West Oahu to East Oahu has consistently increased over time. This measure would implement certain traffic mitigating measures for this area to ease congestion on the roadways.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1112, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 681 Finance on H.B. No. 1409

The purpose of this measure is to enhance Hawaii's energy security by providing funds to the Agribusiness Development Corporation as investment capital for research and development partnerships regarding biofuel production. Accordingly, this measure allocates an unspecified amount of money to the Agribusiness Development Corporation from deposits made from the Environmental Response, Energy, and Food Security Tax into the Energy Security Special Fund and the Agricultural Development and Food Security Special Fund.

The Agribusiness Development Corporation and two concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism and the Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1409, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 682 Finance on H.B. No. 71

The purpose of this measure is to support high technology development and innovation in the State, thereby increasing the State's economic strength by requiring the University of Hawaii to extend the current land lease agreement with the High Technology Development Corporation for a period of at least 25 years from the expiration date of the existing lease.

The High Technology Development Corporation; Hawaii Strategic Development Corporation; Kauai Chamber of Commerce; Advocates for Consumer Rights; AMEL Technologies, Inc.; Renewable Water Technologies, LLC; Curtis Consulting, LLC; Startup Capital Ventures; Hawaii Aquaculture and Aquaponic Association; Archinoetics; Hawaii Consortium for Medicine and Health; Hawaii Food Manufacturers Association; Ikayzo, inc.; isisHawaii; Tapiki, LLC; Hawaii Venture Capital Association; Ohana Investment Works, LLC; Hawaii Advocates for Consumer Rights; and several concerned individuals supported this bill. The University of Hawaii opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 71 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 683 Finance on H.B. No. 1375

The purpose of this measure is to support employment and career advancement for welfare recipients by:

- (1) Requiring the Department of Human Services to establish a task force to revise and restructure welfare payments to support career advancement for welfare recipients;
- (2) Re-establishing an exit and retention bonus program for recipients who voluntarily terminate benefits and remain off the benefit rolls; and
- (3) Appropriating an unspecified amount of funds to support the exit and retention bonus program.

Catholic Charities Hawaii testified in support of this measure. The Department of Human Services provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1375 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 684 Finance on H.B. No. 850

The purpose of this measure is to provide a comprehensive program to protect Hawaii's citizens, infrastructure, and government from terrorism and threat of attack by establishing an Office of Homeland Security within the State Department of Defense, to be headed by the Adjutant General, that will be responsible for tracking and helping to protect critical infrastructure, coordinating homeland defense and homeland security plans with all entities in the

State, and soliciting and managing funds.

The State Adjutant General, Vice Director of Civil Defense, Department of Emergency Management of the City and County of Honolulu, Department of Fire and Public Safety of the County of Maui, State Fire Council, Hawaii Fire Department, County of Hawaii Civil Defense Agency, Honolulu Police Department, Maui County member of the Civil Defense Advisory Council, and a concerned individual supported this measure. Two concerned individuals opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 850, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 685 Finance on H.B. No. 1392

The purpose of this measure is to help preserve Hawaii's historical film, videotape, and audiovisual materials and increase access to these materials by appropriating an unspecified amount of general funds to be deposited into the 'Ulu'ulu: The Henry Ku'ualoha Giugni Moving Image Archive of Hawai'i Special Fund, and appropriating moneys from the Special Fund to support the activities of the Moving Image Archive.

The University of Hawaii West Oahu, Hawaii Chapter of the Association of Records Managers and Administrators, and numerous concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1392, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 686 Finance on H.B. No. 450

The purpose of this measure is to direct the Department of Business, Economic Development, and Tourism to establish a hydrogen fueling station demonstration project with a preference for hydrogen produced from renewable energy sources in qualifying counties and to provide funding for the projects.

East Hawaii Community Development Corporation; Hawaii Automobile Dealers Association; General Motors, LLC; and a concerned individual offered testimony in support of this measure. The Department of Business, Economic Development, and Tourism and High Technology Development Corporation offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 450, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 687 Finance on H.B. No. 632

The purpose of this measure is to make state government more open and transparent. Among other things, this measure:

- (1) Requires all executive branch departments to use reasonable efforts to make appropriate and existing electronic data sets maintained by the departments available to the public;
- (2) Requires each executive branch department to update its electronic data sets in the manner prescribed by the Chief Information Officer and as often as necessary, to preserve the integrity and usefulness of the data within specified limits;
- (3) Limits the State's liability for certain deficiencies or incomplete data;
- (4) Allows the Chief Information Officer to make the data sets of executive branch departments available to third parties pursuant to a license that may contain certain requirements;
- (5) Requires the Chief Information Officer, in consultation with the Office of Information Practices, to develop policies and procedures to make data sets available to the public; and
- (6) Appropriates an unspecified sum to the Office of Information Practices to establish an unspecified number of full time employee positions to promote open data, and to the Department of Accounting and General Services for departments and agencies to provide open data coordinators.

The Office of Information Management and Technology, Hawaii Open Data, League of Women Voters of Hawaii, and several concerned individuals testified in support of this bill. The Office of Information Practices and Common Cause Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 632, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 688 Finance on H.B. No. 378

The purpose of this measure is to preserve and protect Hawaii's beaches from erosion by providing matching funds for the cost of an environmental impact statement associated with the planned beach nourishment project at Kaanapali Beach on the island of Maui.

The Office of the Mayor, Maui County; Hawaii Tourism Authority; Kaanapali Operations Association, Inc.; and Kaanapali Beach Resort Association testified in support of this measure. The Department of Land and Natural Resources offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 378, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 689 Finance on H.B. No. 275

The purpose of this measure is to make available to the Judiciary, valuable resources for providing timely and fair resolution of cases. Specifically, this bill proposes an amendment to the Hawaii State Constitution to authorize the Chief Justice of the Hawaii Supreme Court to appoint judges who have retired as emeritus judges, permitting them to serve as temporary judges in courts no higher than the court level that they reached prior to retirement and for terms not to exceed three months per appointment.

The Department of the Prosecuting Attorney of the City and County of Honolulu and the Employees' Retirement System testified in opposition to this bill. The Judiciary provided comments.

Your Committee notes that "judges" as used in this measure is contemplated to include "justices" as may be applicable.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 275, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 690 Finance on H.B. No. 898

The purpose of this measure is to repeal unnecessary rulemaking provisions in the Hawaii Revised Statutes by removing the Department of Health's authority to adopt rules pertaining to human habitation within vehicles parked on roadways, streets, highways, or other public property between 6:00 p.m. and 6:00 a.m.; or while the vehicle is parked on private property without proper authorization.

The Department of Health and a concerned individual testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 898 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 691 Finance on H.B. No. 697

The purpose of this measure is to appropriate unspecified amounts to fund Hawaii Employer-Union Health Benefits Trust Fund costs and other cost adjustments for officers and employees of specified Legislative agencies.

The Office of the Auditor and Office of the Ombudsman supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 697 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 692 Finance on H.B. No. 807

The purpose of this measure is to restore retirement eligibility parity between current members of the Employees' Retirement System who became or become judges after June 30, 2012, and other contributory plan members by requiring that such members attain the age of fifty-five, rather than sixty to become eligible to receive a retirement allowance.

The Department of Budget and Finance, Judiciary, and Employees' Retirement System Board of Trustees supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 807 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 693 Finance on H.B. No. 832

The purpose of this measure is to appropriate funds to cover the expected cost of the arbitration settlement for collective bargaining unit (9). Specifically, this measure provides for an emergency appropriation for fiscal biennium 2011-2013 for all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for collective bargaining unit (9).

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 211 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to address the expected cost of the arbitration settlement for collective bargaining unit (9).

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 832 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 694 Finance on H.B. No. 834

The purpose of this measure is to make emergency appropriations to fund all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for members of collective bargaining unit (11) and their excluded counterparts.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in his Governor's Message No. 213 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to fund all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for members of collective bargaining unit (11) and their excluded counterparts.

The Department of Budget and Finance and Hawaii Fire Fighters Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 834 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 695 Finance on H.B. No. 915

The purpose of this measure is to improve the integrity of the unemployment insurance program.

More specifically, the measure authorizes the Department of Labor and Industrial Relations to:

- (1) Recoup certain overpayments of unemployment benefits from the employer's account in the unemployment trust fund;
- (2) Impose a penalty assessment upon certain individuals who have been overpaid unemployment benefits and to recoup both the penalty amount and the overpayment from the individual's federal income tax refunds;
- (3) Offset an employer's default of advance payments, contributions, or reimbursement against the employer's federal income tax refund payments; and
- (4) Use funds in the State's account in the unemployment trust fund for the payment of fees authorized under the Internal Revenue Code for the review of reductions relating to credits and refunds.

Testimony in support of the measure was received from the Department of Labor and Industrial Relations (Department).

Your Committee finds that this measure is necessary to bring Hawaii's employment security laws into conformance with the federal Trade Adjustment Assistance Extension Act of 2011 and to make facilitating amendments. The federal law prohibits states from relieving charges to an employer's account when an overpayment results from the employer's failure to respond to the Department's written request for information and requires states to impose a specified minimum penalty on fraudulent overpayments. Failure to adopt the imposition of the minimum penalty may result in the loss of \$13,000,000 in federal grants.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 915 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 696 Finance on H.B. No. 1166

The purpose of this measure is to appropriate funds for all collective bargaining cost items for salary adjustments and other cost adjustments for fiscal biennium 2013-2015 for public employees in collective bargaining unit (3).

The Department of Budget and Finance; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and University of Hawaii

supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1166 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 697 Finance on H.B. No. 1167

The purpose of this measure is to appropriate funds for the 2013-2015 fiscal biennium to cover the collective bargaining cost items for the public officers and employees of collective bargaining unit (4) and their counterparts in the Executive Branch, Judiciary, and Hawaii Health Systems Corporation who are excluded from collective bargaining.

The Department of Budget and Finance, University of Hawaii, and Hawaii Government Employees Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1167 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 698 Finance on H.B. No. 1173

The purpose of this measure is to promote more meaningful discussion during the negotiation process relating to employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) by, among other things:

- (1) Repealing the prohibition against using arbitration to resolve impasses or disputes relating to state and county EUTF contributions;
- (2) Repealing the Legislature's role in determining state and county contribution amounts where agreement cannot be reached; and
- (3) Permitting bargaining unit members to use state and county EUTF contributions as a basis for striking.

The Department of Budget and Finance opposed this bill. The University of Hawaii, Department of Human Resources of the City and County of Honolulu, and Hawaii Government Employees Association provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1173, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 699 Finance on H.B. No. 1174

The purpose of this measure is to repeal statutorily-established base monthly contributions to the Hawaii Employer-Union Health Benefits Trust Fund paid by the State and counties for retiree health benefit plans.

The Department of Budget and Finance opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1174, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 700 Finance on H.B. No. 1165

The purpose of this measure is to appropriate funds for all collective bargaining cost items for salary adjustments and other cost adjustments for fiscal biennium 2013-2015 for public employees in collective bargaining unit (2).

The Department of Budget and Finance; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and University of Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1165 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 701 Finance on H.B. No. 363

The purpose of this measure is to improve emergency medical care and ambulance services in the Ewa Beach area.

More specifically, this measure appropriates funds to the Department of Health for the demolition of the Ewa Beach fire station and for the construction of an emergency medical services facility at the same location.

Testimony in support of this measure was submitted by the United Public Workers, AFSCME Local 646, AFL-CIO; the Healthcare Association of Hawaii; and one individual.

Written comments were submitted by the Department of Health.

Your Committee finds that the closure of Hawaii Medical Center hospitals in Ewa Beach and Liliha severely reduced access to emergency medical services for the residents of West Oahu. Your Committee further finds that the location of the Ewa Beach fire station is no longer being used, and its location would be ideal for an additional emergency medical services facility. Accordingly, your Committee finds that demolition of the fire station and construction of a new emergency medical services facility would serve the public interest by improving access to critical emergency medical services for West Oahu residents.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 363, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 702 Finance on H.B. No. 1279

The purpose of this measure is to appropriate an unspecified sum to match funds for competitively bid program expenses incurred for reintegration support, job training, employment placement, and case management for persons convicted of crimes and reentering the community.

Your Committee received testimony in support of this measure from the Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, Hawaii Substance Abuse Coalition, and one individual.

Your Committee finds that it is estimated that approximately ninety-eight per cent of all incarcerated persons will return to the community. It is in the best interest of both the offender and the community alike to provide support upon reentry, as persons with criminal records face many barriers to employment and licensure. Your Committee believes that the funds appropriated by this measure will assist the offender population in transitioning to the community in a safe, responsible manner.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1279, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 703 Finance on H.B. No. 591

The purpose of this measure is to streamline and clarify the use of funds appropriated out of the safe routes to school special fund.

More specifically, this measure provides that appropriations from the special fund shall be available to the Department of Transportation to administer the safe routes to school program, including the cost of equipment and general administrative overhead and allotments to the counties to promote the safe routes to school program.

The Department of Transportation, Peoples Advocacy for Trails Hawaii, and a concerned individual submitted testimony in support of the measure.

Your Committee finds that this measure ensures that funds from the safe routes to school special fund will be appropriated and used in an efficient and effective manner.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 591, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 704 Finance on H.B. No. 1080

The purpose of this measure is to promote the development of bicycling in Hawaii by requiring:

- (1) The Department of Transportation to establish alternative bikeway projects when the original project may be unfeasible; and
- (2) That annual reporting to the Legislature by the Department of Transportation include information as to why the initial project was unfeasible.

The Sierra Club, Hawai'i Chapter; Hawaii Bicycling League; Island Triathlon & Bike, Inc.; Blue Planet Foundation; New Solutions to Old Problems; and numerous concerned individuals supported this measure. The Department of Transportation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of H.B. No. 1080, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 705 Finance on H.B. No. 201

The purpose of this measure is to improve the campaign finance law.

Specifically, the measure improves the State's campaign finance law by:

- (1) Requiring candidate committees and noncandidate committees to file the January supplemental reports annually, rather than after an election year;
- (2) Requiring that noncandidate committee reports:
 - (A) Distinguish between contributions made and received;
 - (B) Specify the amount, date, and recipient of each contribution made; and
 - (C) Identify the candidate supported or opposed by an independent expenditure; and
- (3) With regard to the partial public financing program for election candidates:
 - (A) Establishing a filing deadline for the voluntary campaign expenditure limits affidavit; and
 - (B) Increasing the amount of allowable expenditures made by a candidate for the office of prosecuting attorney.

This measure also corrects statutory references and makes other housekeeping amendments.

The Campaign Spending Commission and the League of Women Voters of Hawaii testified in support of this measure.

Your Committee finds that this measure will enhance regulation of campaign spending by aligning statutory provisions with present practice, increasing transparency in spending reports, improving the implementation of the partial public financing program for election candidates, and correcting statutory references.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 201, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 706 Finance on H.B. No. 208

The purpose of this measure is to allow the imposition of penalties on lobbyists for the failure to file a required statement or report or for negligently filing a statement or report containing a material omission or false statement.

Testimony in support of this measure was submitted by the Hawaii State Ethics Commission, the League of Women Voters-Hawaii, and a concerned individual.

Your Committee finds that the current law requires a lobbyist to act wilfully in order to be subject to penalty, and thus conceivably allows a lobbyist to claim ignorance of the requirement to file a statement or report of the lobbyist's activities and avoid any penalties. Your Committee finds that deleting the requirement that a lobbyist act wilfully in order to be subject to penalty allows for more transparency in government.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 208, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 707 Education on H.B. No. 399

The purpose of this measure is to help ensure students have the information they need to make positive, healthy decisions by requiring the Department of Education to provide sexuality health education in every school, at every level beginning with the 2014-2015 school year and specifying curriculum requirements for such education.

This measure also requires the Department of Education to make the sexuality health education curricula available to the public and requires students to be excused from any part of the instruction upon the written request of the student's parent or legal guardian.

The Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, The League of Women Voters of Hawaii, American Civil Liberties Union of Hawaii, Planned Parenthood of Hawaii, Hawaii Women's Coalition, and several concerned individuals supported this measure. The Hawaii State Teachers Association and Hawaii Youth Services Network supported the intent of this bill. The Department of Education opposed this measure.

While your Committee acknowledges the compelling testimony presented, the requirements of this measure impose obligations upon the Department of Education that entail the expenditure of resources, which may displace other worthy Department programs and services. As such, your Committee respectfully requests that the provision of additional resources to support this mandate be considered should this measure move forward in the legislative process.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Department of Education provide the specified sexuality health education beginning with the 2014-2015 school year; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 399, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 399, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hanohano and Ichiyama.

SCRep. 708 Transportation on H.B. No. 689

The purpose of this measure is to comply with the federal Moving Ahead for Progress in the 21st Century Act by adding the Executive Director of the Honolulu Authority for Rapid Transit to the Metropolitan Planning Organization Policy Committee.

The City and County of Honolulu, a member of the City Council of the City and County of Honolulu, and two concerned individuals supported this measure. The Department of Transportation supported this measure with amendments. A concerned individual opposed this measure.

Your Committee has amended this measure by specifying that the new member of the Policy Committee shall be the Director of the authority for rapid or mass transportation, or successor agency thereof, that operates public transportation on the relevant island.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 689, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 689, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Nakashima, Takumi and Fukumoto.

SCRep. 709 Agriculture/Water & Land on H.B. No. 734

The purpose of this measure is to improve protections for taro lands and ancient agricultural structures by creating a unique class of public lands for intensive agricultural use to be classified as "taro lands" and require retention of supporting structures for taro fields. This measure also adds growth and perpetuation of taro and crops native to Hawaii to agricultural planning objectives of the Hawaii State Planning Act.

Hui O Malama Aina, Environmental Caucus of the Democratic Party of Hawaii, Respiratory & Environmental Disabilities Association of Hawaii, and numerous individuals testified in support of this measure. The Taro Security and Purity Task Force supported this measure with amendments. The Department of Agriculture submitted comments.

Your Committees have amended this measure by:

- (1) Defining "taro lands";
- (2) Changing the designation of taro lands as (T) the Fourth Class of public lands classified for intensive agricultural use as recognition of the value of preserving traditional taro lands for wetland cultivation;
- (3) Providing that supporting structures for lo'i taro fields are permitted uses for taro lands (T) and class A or B agricultural lands;
- (4) Prohibiting the reclassification of and restricting the subdivision of taro lands (T);
- (5) Expanding the agricultural planning objectives to include the growth and perpetuation of all traditional Hawaiian crops, not just taro; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 734, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 734, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Choy, Coffman, Cullen, Kawakami, Lee and Takayama.

SCRep. 710 Higher Education on H.B. No. 1071

The purpose of this measure is to help ensure that the members of the University of Hawaii Board of Regents complement each other's strengths

to form a well-rounded and cohesive body by authorizing the Governor to reject the list of candidates presented by the Regents Candidate Advisory Council and require the Council to present the Governor with a new list within sixty days of the rejection.

The Regents Candidate Advisory Council provided comments.

Your Committee has amended this measure by:

- (1) Removing the authorization for the Governor to reject the list of candidates;
- (2) Inserting an authorization for the Governor to request additional candidates from the Council;
- (3) Increasing to 90 from 60 the number of days the Council has to comply with the Governor's request for additional candidates; and
- (4) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1071, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1071, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 711 Human Services on H.B. No. 1258

The purpose of this measure is to honor individuals serving on the Policy Advisory Board for Elder Affairs by allowing the Policy Advisory Board to grant lifetime membership to a board member.

The County of Hawaii Office of Aging and two individuals testified in support of this measure. The Executive Office on Aging provided comments.

Your Committee finds that the intent of this measure is to honor individuals serving on the Policy Advisory Board for Elder Affairs. The measure, as drafted, granting irrevocable privileges to a board member may have constitutional concerns. To effectuate the purpose of this measure, your Committee has amended this measure by:

- (1) Instead, authorizing the Board to award to a member the "lifetime honorary kupuna" title by a meeting called for that purpose and attended by a quorum;
- (2) Requiring the Governor to take the award to the member of the "lifetime honorary kupuna" title into consideration when considering the reappointment of that member to the Board;
- (3) Clarifying that the Governor may reappoint the member who holds the "lifetime honorary kupuna" title to continued terms over the member's lifetime; and
- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1258, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1258, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 712 Finance on H.B. No. 563

The purpose of this measure is to allow taxpayers more time to file and pay general excise taxes by amending the filing of monthly, quarterly, and semiannual general excise tax returns from the twentieth day of the respective applicable month to the last day of the month.

The Chamber of Commerce of Hawaii, The Hawaii Business League, and Retail Merchants of Hawaii provided testimony in support of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 563, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 563, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 713 Finance on H.B. No. 696

The purpose of this measure is to provide support to neighbor island residents who hold the position of Lieutenant Governor by providing an allowance, separate from the Lieutenant Governor's salary, to cover personal expenses incurred in the performance of official duties that require overnight

stays on Oahu.

The Office of the Governor testified in support of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the authorized allowance for the Lieutenant Governor should be set at a daily rate by agreement of the Senate President and Speaker of the House of Representatives;
- (2) Removing references to transportation expenses and the federal employee per diem schedule from the calculation of the allowance; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 696, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 696, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 714 Finance on H.B. No. 648

The purpose of this measure is to increase transparency concerning state finances by making clarifying technical amendments to provisions dealing with the transfer of non-general funds to the general fund.

Several individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 648, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 648, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 715 Judiciary on H.B. No. 31

The purpose of this measure is to improve passengers' access to bus stop shelters by including in the offense of disorderly conduct impeding or obstructing the use of a bus stop by laying across a bench or more than one seat at the bus stop, or sleeping on the ground within or abutting a bus stop shelter or structure.

A few concerned individuals supported this measure. The American Civil Liberties Union of Hawaii and the Office of the Public Defender opposed this measure. A concerned individual offered comments on the measure.

Your Committee has amended this measure by:

- (1) Increasing the number of seats at a bus stop across which an individual must lay to commit the offense of disorderly conduct to more than two;
- (2) Specifying that engaging in the foregoing prohibited conduct for sixty minutes or more shall be prima facie evidence of having committed the offense; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 31, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 31, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Cabanilla, Carroll and Wooley.

SCRep. 716 Judiciary on H.B. No. 129

The purpose of this measure is to establish procedures to permit alternative methods for taking the testimony of a minor child in criminal, non-criminal, and administrative proceedings.

The Department of the Prosecuting Attorney of the City and County of Honolulu, the Honolulu Police Department, the Office of the Prosecuting

Attorney of the County of Kauai, and the Commission to Promote Uniform Legislation supported the measure. The Office of the Public Defender opposed the measure. The Judiciary offered comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 129, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 129, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 717 Judiciary on H.B. No. 38

The purpose of this measure is to increase public safety by establishing the offenses of unlawful chop shop activity in the first and second degree and authorizing the State to order the forfeiture of any property or funds connected to chop shop activity.

The Honolulu Police Department testified in support of this measure. The Office of the Public Defender testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Increasing the threshold amount for unlawful chop shop activity in the first degree to \$250,000 or greater, and to \$100,000 or greater, but less than \$250,000, for unlawful chop shop activity in the second degree; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 38, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 38, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 718 Judiciary on H.B. No. 37

The purpose of this measure is to allow private individuals to bring a civil action for injunctive relief or damages arising from an alleged private nuisance due to excessive noise.

The Puna Pono Alliance and several concerned individuals testified in support of this measure. The Hawaii Insurers Council; Alexander & Baldwin, Inc.; General Contractors Association of Hawaii; and Building Industry Association-Hawaii testified in opposition to this measure. The Department of the Attorney General and City and County of Honolulu provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the two-year statute of limitations applies only to civil actions for actual damages brought due to the occurrence of an alleged private nuisance;
- (2) Removing reasonable attorney fees from damages that may be awarded;
- (3) Amending the definition of "excessive noise" to mean any noise that exceeds noise levels permissible under applicable state law or rule or county ordinance;
- (4) Deleting language permitting an action to be brought without a determination of excessive noise by the Department of Health;
- (5) Specifying that the ability of private individuals to bring a cause of action will not restrict or impede the authority of the counties to protect the public health, safety, and welfare; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 37, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 37, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 719 Judiciary/Consumer Protection & Commerce on H.B. No. 235

The purpose of this measure is to assist duly incorporated societies for the prevention of cruelty to animals that have county or state contracts to enforce animal related laws in recovering their costs by including them as "victims" in the law relating to victim restitution.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Humane Society of the United States-Hawaii, Hawaiian Humane Society, West Hawaii Humane Society, Last Resort Dog Rescue, and numerous concerned individuals supported this measure. The Office of the

Public Defender opposed this measure. A concerned individual provided comments.

Your Committees have amended this measure by:

- (1) Limiting the applicability of the new category of "victim" to those societies that impound, hold, or receive custody of a pet animal pursuant to only three specified sections in the criminal laws relating to offenses against public order concerning animal cruelty;
- (2) Specifying that the new category of "victim" does not permit the recovery of victim restitution for costs that have already been contracted and provided for by the counties or State;
- (3) Changing its effective date to September 24, 2021, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 235, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 235, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 720 Judiciary/Consumer Protection & Commerce on H.B. No. 1068

The purpose of this measure is to improve public awareness of services available to victims of human trafficking by, among other things:

- (1) Requiring specified establishments to post information relating to the National Human Trafficking Information Resource Center Hotline;
- (2) Requiring the information to be printed in English on a poster no smaller than a specified size;
- (3) Defining the term "establishment"; and
- (4) Imposing a fine for failing to abide by the posting requirements.

The City and County of Honolulu Emergency Medical Services Division, Polaris Project, and a concerned individual supported this measure. The Department of Labor and Industrial Relations, IMUAlliance, Pacific Alliance to Stop Slavery, and two concerned individuals provided comments.

Your Committees have amended this measure by:

- (1) Requiring that every employer, rather than specified establishments, display in a conspicuous place a poster containing the information relating to the National Human Trafficking Resource Center Hotline;
- (2) Clarifying that a conspicuous place is where the information can be observed readily "on the way to or from the employee's place of employment";
- (3) Removing the definition of the term "establishment";
- (4) Allowing the Director of Labor and Industrial Relations to supplement the required information;
- (5) Specifying that any employer, rather than the establishment that fails to abide by the posting requirements, shall be fined; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1068, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1068, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Cachola, Har, Ito, Wooley and Thielen.

SCRep. 721 Judiciary on H.B. No. 182

The purpose of this measure is to permit a court to dispose of a juvenile case by referring the child defendant to a restorative justice program when the court deems it would be in the best interest of the child and the child admits guilt.

The Community Alliance on Prisons and a few concerned individuals supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu opposed this measure. The Office of Hawaiian Affairs provided comments.

Your Committee has amended this measure by clarifying:

- (1) That a restorative justice program is an approach to justice that focuses on the offender, the victim, and community, and fosters cooperation among those parties to address the violation committed and prevent future crime;

- (2) That restorative justice programs include restorative dialogues, restorative conferences, restorative justice circles, restorative sessions, Native Hawaiian reconciliation practices like ho'oponopono, or any type of restorative justice group process where offenders and victims meet individually or with their loved ones, or with a facilitator; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 182, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 182, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 722 Judiciary on H.B. No. 510

The purpose of this measure is to protect the public by preventing the use of deferred acceptance of guilty pleas and deferred acceptance of nolo contendere pleas in cases involving defendants charged with an offense involving the killing of another person or a violation of an order, including a protective order, issued pursuant to Chapter 586, Hawaii Revised Statutes (HRS).

A concerned individual supported this measure. The Office of the Public Defender provided comments.

Your Committee has amended this measure by:

- (1) Removing superfluous language that expressly prohibited the use of deferred acceptance pleas for violations of protective orders issued pursuant to Chapter 586, HRS, since these violations are already included in the current prohibition for violations of any order under that chapter; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 510, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 510, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 723 Judiciary on H.B. No. 568

The purpose of this measure is to expand the duties of the Elections Commission to include providing oversight of the Chief Election Officer.

The League of Women Voters testified in support of this measure. The Office of the County Clerk of the County of Maui and Office of the County Clerk of the County of Kauai provided comments.

Your Committee finds that the Elections Commission is charged with hiring and advising the Chief Election Officer, however, there is no mandate under current law for the Commission to perform any meaningful review of that position. Your Committee finds that reviewing the performance of the Chief Election Officer is a natural and necessary function of the Commission and intends to require the Commission to assume that responsibility. However, your Committee also finds that further consideration of whether such a review should be made public is necessary.

Accordingly, your Committee has amended this measure by requiring the Commission to conduct performance evaluations of the Chief Election Officer every six months, instead of mandating that the Commission provide oversight of the Chief Election Officer.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 568, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 568, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 724 Judiciary on H.B. No. 52

The purpose of this measure is to increase civil rights protections by making it a civil rights violation for law enforcement agents and agencies to practice biased-based policing.

The Hawaii State Commission on the Status of Women, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Domestic Violence Action Center, IMUAlliance, Hawaii State Coalition Against Domestic Violence, County of Hawaii Council Member for District 9, and one concerned individual testified in support of this measure. The Hawaii Civil Rights Commission and Department of Public Safety provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing enforcement of the prohibition on biased-based policing from the jurisdiction of the Hawaii Civil Rights Commission;
- (2) Adding new provisions prohibiting biased-based policing to the statutory chapters that regulate county police departments and the Department of Public Safety;

- (3) Specifying that the Department of the Attorney General shall enforce the prohibition on biased-based policing pursuant to the Department's existing prosecutorial, investigatory, and public education authority; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 52, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 52, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Cabanilla, Carroll and Wooley.

SCRep. 725 Judiciary on H.B. No. 321

The purpose of this measure is to expand access to voting rights by permitting voter registration on the day of an election, allowing those who register on the day of the election to vote, and establishing procedures to implement election day voter registration.

The Office of Elections, Common Cause Hawaii, American Civil Liberties Union of Hawaii, League of Women Voters of Hawaii, and a concerned individual supported this bill. Several concerned individuals opposed this measure. The Office of the County Clerk of the County of Kauai, Office of the County Clerk of the County of Maui, Office of the County Clerk of the County of Hawaii, and Office of the City Clerk of the City and County of Honolulu provided comments.

Your Committee has amended this measure by:

- (1) Requiring, rather than permitting, the County Clerks to designate registration clerks to be at polling places in their respective counties on the day of the election;
- (2) Removing language that would have made the County Clerk's or registration clerk's determination final where a voter's proper registration is challenged, and thereby allowing review of the ruling on a challenge by the Board of Registration and subsequently the Intermediate Court of Appeals;
- (3) Changing the effective date to January 1, 2100, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 321, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 321, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ito.

SCRep. 726 Judiciary on H.B. No. 619

The purpose of this measure is to protect public health and welfare by prohibiting the feeding of feral birds under certain circumstances. Specifically, this measure, among other things:

- (1) Makes it a violation under Chapter 142, Hawaii Revised Statutes (HRS), relating to animals, brands, and fences, to feed a feral bird on a person's own property such that the feral bird causes a common nuisance on other property;
- (2) Establishes penalties for violating the prohibition; and
- (3) Defines various terms, including "feral bird".

Hawaii Pest Control Association and a number of concerned individuals supported this measure. Several concerned individuals opposed this measure. The Department of Land and Natural Resources, Innolytics, LLC, and the Humane Society of the United States provided comments.

Your Committee has amended this measure by:

- (1) Moving the prohibition on feeding birds to Chapter 712, HRS, relating to offenses against public health and morals, which makes a violation of the statute a penal offense;
- (2) Expanding the scope of the measure to include the feeding of wild as well as feral birds;
- (3) Establishing a blanket prohibition against knowingly feeding wild or feral birds regardless of location;
- (4) Making a first offense a violation and a second or subsequent offense a petty misdemeanor;
- (5) Eliminating the mandatory fines for violating the prohibition on feeding wild or feral birds;
- (6) Exempting certain persons feeding wild or feral birds for specified animal control or conservation activities;
- (7) Excluding chickens from the definition of "wild or feral bird"; and

- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 619, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 619, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee, Wooley and McDermott.

SCRep. 727 Judiciary on H.B. No. 1202

The purpose of this measure is to protect Hawaii's licensees and contractors from unfair penalties by clarifying that a licensee or contractor, who inadvertently fails to maintain licensing requirements but who subsequently corrects the failure so that there was no lapse in licensure, shall not be guilty of unlicensed activity or unlicensed contracting activity, respectively.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and the General Contractors Association of Hawaii supported this measure.

Your Committee has amended this measure by changing its effective date to January 1, 2100, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1202, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1202, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 728 Judiciary on H.B. No. 587

The purpose of this measure is to strengthen the law that protects family or household members from physical abuse. Specifically, this bill:

- (1) Expands the definition of a "family or household member" to include partners in a romantic relationship when considering the abuse of a family or household member;
- (2) Allows a police officer to arrest an individual suspected of abusing a family or household member to prevent the individual from returning to the scene of the alleged abuse after a stay-away order to leave the premises has been issued by a police officer;
- (3) Increases the minimum jail sentence for abuse of a family or household member or the refusal to comply with the lawful order of a police officer in cases where reasonable grounds exist to believe that physical abuse or harm was inflicted upon a family or household member from:
 - (A) Forty-eight hours to ninety-six hours for a first offense; and
 - (B) Thirty days to sixty days for a second offense occurring within one year of the first conviction;
- (4) Provides that a third or any subsequent offense of abuse of a family or household member shall be deemed a Class C felony if the offense occurred within five rather than two years of a second or subsequent conviction; and
- (5) Makes abuse of a family or household member a Class C felony if the physical abuse occurs in the presence of any family or household member who is less than ten years of age.

The Office of the Prosecuting Attorney of the County of Kauai and two concerned individuals testified in support of this bill. The Office of the Public Defender and Maui Police Department testified in opposition to this measure. The Hawaii State Coalition Against Domestic Violence provided comments.

Your Committee has amended this bill by:

- (1) Changing the term romantic relationship to dating relationship when considering persons in a relationship under the definition of "family or household member" for cases of abuse of a family or household member;
- (2) Deleting the provision allowing a police officer to arrest an individual suspected of abusing a family or household member to prevent the individual from returning to the scene of the alleged abuse after a stay-away order to leave the premises has been issued by a police officer;
- (3) Deleting the provision increasing the minimum jail sentences for abuse of a family or household member or the refusal to comply with the lawful order of a police officer in cases where reasonable grounds exist to believe that physical abuse or harm was inflicted upon a family or household member;
- (4) For the time period within which a third or any subsequent offense of abuse of a family or household member shall be deemed a Class C felony, deleting the increase from two to five years;
- (5) Deleting the provision making abuse of a family or household member a Class C felony if the physical abuse occurs in the presence of any family or household member who is less than ten years of age; and

- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 587, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 587, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 729 Judiciary on H.B. No. 493

The purpose of this measure is to protect animals from unnecessary suffering and cruelty by:

- (1) Establishing the offense of cruelty to animals by trapping for the intentional, knowing, or reckless use, setting, or maintaining of a snare, conibear trap, or foot- or leg-hold trap in a residential area or other area where such devices are prohibited by law or rule and a steel-jawed leg-hold trap; and
- (2) Requiring that any dog or cat captured or killed in a snare or trap in a residential area be checked for identification and reported to a county animal control officer.

The Humane Society of the United States, The Nature Conservancy, Hawaiian Humane Society, Alley Cat Allies, Malama Waikoloa Nightingales, Hawaii Island Humane Society, and numerous concerned individuals supported this bill. The Department of Land and Natural Resources and a concerned individual provided comments.

To ensure that animals are treated humanely, your Committee reiterates that this measure prohibits the use of snares, conibear traps, and foot- or leg-hold traps in areas zoned as residential or where such traps are prohibited by law or rule and steel-jawed leg-hold traps, with specified and narrow exceptions. As such, your Committee emphasizes that such traps and snares should not be claimed to be, or used as, rodent control devices, and finds that this measure should not be ambiguous on this point.

Accordingly, your Committee has amended this measure to delete the exception for persons carrying out accepted practices for rodent control that do not involve the specified traps and snares.

Your Committee has further amended this measure to:

- (1) Broaden the exception to include persons acting as a designated cooperator or as an agent of the State to carry out activities required under a management plan approved by state or federal agencies; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 493, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 493, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 730 Judiciary on H.B. No. 1066

The purpose of this measure is to discourage prostitution by:

- (1) Establishing the offense of solicitation of a minor for prostitution as a class C felony;
- (2) Increasing the statute of limitation to bring a cause of action for coercion into prostitution from two to six years;
- (3) Clarifying the minimum and maximum fines for a person convicted of prostitution;
- (4) Adding the offenses of solicitation of a minor for prostitution, habitual solicitation of prostitution, and solicitation of prostitution near schools or public parks to the covered offenses for which property may be seized under the State's forfeiture laws; and
- (5) Amending the definition of "sexual offense" under the sexual offender registry laws to include acts that consist of the solicitation of a minor for prostitution.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Equality Now, Hawaii Family Forum, Pacific Alliance to Stop Slavery, Hawaii Catholic Conference, Downtown Neighborhood Board #13, and numerous concerned citizens testified in support of this measure. The Office of the Public Defender and one concerned individual testified in opposition to this measure. The Honolulu Police Department and IMUAlliance provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the offense of solicitation of a minor for prostitution is applicable to adult perpetrators only;
- (2) Deleting language establishing mandatory fines for those convicted of the offense of solicitation of a minor for prostitution;

- (3) Deleting language that would have extended the statute of limitation for claims brought for coercion into prostitution from two years to six years;
- (4) Removing language specifying minimum or maximum fines for persons convicted of prostitution;
- (5) Clarifying that the offense of solicitation of a minor for prostitution is a tier one offense under the sex offender registry laws which allows a person subject to the registration requirements for this offense to petition to be removed from the registry after ten years; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1066, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1066, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 731 Judiciary on H.B. No. 951

The purpose of this measure is to update various sections of the Hawaii Revised Statutes to clarify that law enforcement officers and other persons authorized by the courts may serve certain types of legal process.

The Department of Public Safety testified in support of this measure. The Judiciary testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Authorizing the Director of Public Safety to maintain a list of independent civil process servers authorized to process specified writs and other orders;
- (2) Authorizing the independent civil process servers from the Department of Public Safety's list to serve specified types of legal process;
- (3) Removing the power of the court to authorize persons to effect service of process by court rule or otherwise;
- (4) Shielding the Department of Public Safety and the State from responsibility or liability for the conduct of any independent civil process server placed on the list;
- (5) Specifying that an independent civil process server placed on the Department of Public Safety's list shall not be considered a law enforcement officer, sheriff or deputy sheriff, or employee or agent of the State;
- (6) Repealing the amendments made under this Act on June 30, 2015; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 951, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 951, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 732 Judiciary on H.B. No. 785

The purpose of this measure is to clarify the service of process for records in a criminal matter issued by or in another state upon a Hawaii recipient by:

- (1) Specifying that the service of process may be upon a person or business, but not a government agency;
- (2) Specifying that the process is for the production of records;
- (3) Clarifying that the process must be based upon a pending criminal investigation or prosecution in another state and issued pursuant to the law of the issuing state; and
- (4) Requiring that the person or business being served must have conducted business or engaged in transactions occurring at least in part in the issuing state.

The Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; and the Honolulu Police Department supported this measure. A concerned individual opposed this measure.

Your Committee has amended this measure by:

- (1) Removing the language that explicitly excluded any government agency;
- (2) Requiring that the issuing state has a statute authorizing the production of records held by out-of-state persons or businesses;

- (3) Requiring that the service of process issued by or in another state include specified information;
- (4) Removing the provision requiring the person or business being served to have conducted business or engaged in transactions occurring at least in part in the issuing state; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 785, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 785, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ito.

SCRep. 733 Consumer Protection & Commerce on H.B. No. 841

The purpose of this measure is to protect consumers by updating the Insurance Code. Specifically, this measure:

- (1) Establishes a ten-day window to request an administrative hearing to contest a regulatory action taken by the Insurance Commissioner;
- (2) Updates standards and other financial analysis solvency tools used to determine if insurers transacting business in the state pose a hazard to the public, policy holders, or creditors;
- (3) Authorizes the Insurance Commissioner to correct corporate governance practice deficiencies, request business plans, and adjust insurer premiums as corrective measures for hazardous insurers; and
- (4) Updates the applicability of certain Insurance Code provisions to risk retention captive insurance companies.

The Department of Commerce and Consumer Affairs, Hawaii Captive Insurance Council, Strategic Risk Solutions, and one individual supported this measure. The National Association of Mutual Insurance Companies and State Farm Mutual Automobile Insurance Company opposed this measure. The American Council of Life Insurers commented on this measure.

Your Committee has amended this measure by:

- (1) Extending the time allowed for an application for a hearing to contest a regulatory action from ten days to thirty days;
- (2) Adding provisions relating to the confidentiality of risk-based capital reports to those provisions that apply to risk retention captive insurance companies;
- (3) Changing its effective date to July 1, 2112, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 841, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 841, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 734 Consumer Protection & Commerce/Judiciary on H.B. No. 1316

The purpose of this measure is to increase the number of available rental options for tenants with animals by amending the Residential Landlord-Tenant Code to allow a landlord, as a condition of a rental agreement, to add to the security deposit an amount to compensate for damages caused by any animal allowed to reside in the premises.

The Humane Society of the United States; Hawaiian Humane Society; Hawaii Association of REALTORS; West Hawaii Humane Society; Woodstock Properties, Inc.; Gustafson Real Estate; Homeward Bound; Cornerstone Properties; National Association of Residential Property Managers; and numerous individuals testified in support of this measure. An individual testified in opposition to this measure. The Disability and Communication Access Board and several individuals provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that a landlord shall not require as a condition to the rental agreement, an additional amount in the security deposit for service animals; and
- (2) Changing its effective date to November 1, 2013.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1316, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1316, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 735 Consumer Protection & Commerce on H.B. No. 138

The purpose of this measure is to eliminate confusion relating to the application of the seller disclosure law by:

- (1) Establishing a uniform standard for disclosure of restrictive covenants and related information in the sale of residential real property in condominium projects, cooperative housing corporations, and other community associations;
- (2) Clarifying the types of documents that are required to be disclosed;
- (3) Requiring the disclosure of documents within ten days after the title report is received; and
- (4) Allowing for the electronic receipt of documents with the buyer's consent.

The Hawaii Association of REALTORS testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying the seller's duty to provide the buyer with applicable public records pursuant to requirements for document disclosure contained in this measure;
- (2) Changing its effective date to May 1, 2014, to allow members of the affected industry sufficient time to comply with changes to the disclosure laws pursuant to this measure; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 138, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 138, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 736 Consumer Protection & Commerce on H.B. No. 813

The purpose of this measure is to authorize the Public Utilities Commission to examine all information relating to power purchase agreements under review by the Commission, including relevant cost information of independent power producers.

The Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Public Utilities Commission, Hawaiian Electric Company, Maui Electric Company, Hawaii Electric Light Company, Pua Pono Alliance, Friends of Lanai, and a few individuals provided testimony in support of this measure. The Hawaii Renewable Energy Alliance and Solar Power Systems International provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Also authorizing the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs to examine all information relating to power purchase agreements under review by the Public Utilities Commission and the Division of Consumer Advocacy, and making conforming amendments to the measure's purpose section to reflect this amendment;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 813, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 813, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 737 Consumer Protection & Commerce on H.B. No. 999

The purpose of this measure is to allow the State to remain a leader in the captive insurance industry by adopting the National Association of Insurance Commissioners Reinsurance Guidelines for Risk Retention Groups Licensed as Captive Insurers.

Specifically, this measure prohibits risk retention groups from receiving statement credit for policies ceded through reinsurance arrangements and specifies requirements that reinsurers must meet to qualify to take credit for reinsurance.

Artex Risk Solutions, Inc. and a concerned individual supported this measure. The Department of Commerce and Consumer Affairs supported the intent of this measure with amendments. The Hawaii Captive Insurance Council commented on this measure.

Your Committee has amended this measure by:

- (1) Allowing the Insurance Commissioner to adopt the National Association of Insurance Commissioners Reinsurance Guidelines for Risk Retention Groups Licensed as Captive Insurers as rules pursuant to Chapter 91, Hawaii Revised Statutes;

- (2) Removing the requirement specifying the assessment and reporting of risk retention groups to determine compliance with this measure; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 999, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 999, H.D. 2, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 738 Consumer Protection & Commerce on H.B. No. 245

The purpose of this measure is to protect victims of domestic abuse by, among other things:

- (1) Prohibiting landlords from terminating a tenancy, failing to renew a tenancy, or refusing to enter into a rental agreement based on the tenant's status as a victim of domestic abuse if the tenant provides the landlord with a protective order or documentation certifying that the tenant or a child of the tenant is a victim of domestic abuse; and
- (2) Authorizing landlords to terminate or decline to renew a tenancy under certain conditions.

The American Civil Liberties Union of Hawaii and several concerned individuals supported this measure. A concerned individual opposed this bill. The Hawaii State Commission on the Status of Women, Hawaii Association of REALTORS, and Hawaii State Coalition Against Domestic Violence submitted comments.

Upon consideration, your Committee has amended this measure by:

- (1) Deleting prospective tenants from the definition of "tenant";
- (2) Deleting the provision authorizing a prevailing party to recover court costs and reasonable attorney's fees; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 245, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 245, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 739 Consumer Protection & Commerce on H.B. No. 457

The purpose of this measure is to clarify the information that must be provided to the Department of Taxation by the operator of a transient accommodation and to modify the penalties for non-compliance.

The Community Associations Institute, AOA Alii Lani, and numerous individuals testified in support of this measure. The Department of Taxation testified in support of the intent of this measure. Numerous individuals testified in opposition to this measure. The Hawaii Association of Vacation Rental Managers provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding language that specifies certain criteria for who qualifies as a local contact;
- (2) Changing the penalties for failure to report information required by this measure from a criminal penalty to a civil penalty of \$1,000 that shall be imposed no more than once per year;
- (3) Clarifying that the reporting requirements for condominium and planned community associations that contain transient accommodations extend only to information that is received from operators;
- (4) Changing the effective date to July 1, 2012, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 457, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 457, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 740 Water & Land/Education/Finance on H.B. No. 865

The purpose of this measure is to facilitate the redevelopment of public school lands to generate income to improve public school facilities.

Specifically, this measure:

- (1) Authorizes the Hawaii Community Development Authority to redevelop public school lands and facilities that are identified and authorized by the Department of Education for redevelopment;
- (2) Establishes guidance policies for school redevelopment projects that emphasize modernization, energy efficiency, technological integration, efficient land use, and community involvement;
- (3) Directs the proceeds from the use or redevelopment of public school lands to be deposited into the Public Land Development Corporation's school facilities special fund; and
- (4) Makes an unspecified appropriation to the Hawaii Community Development Authority for the purposes of the measure.

Testimony in support of this measure was submitted by the Governor, Hawaii Community Development Authority, Pacific Resource Partnership, Land Use Research Foundation of Hawaii, Hui for Excellence in Education, and one concerned individual. Testimony in opposition to this measure was submitted by Advocates for Consumer Rights, KAHEA: The Hawaiian-Environmental Alliance, Americans for Democratic Action, and eighteen concerned individuals. Comments on this measure were submitted by the Department of Education, Hawaii State Public Library System, The Chamber of Commerce of Hawaii, Control Point Surveying, Inc., and Faith Action for Community Equity.

Your Committees find that Hawaii's public school facilities are aging and falling short of the demands of providing the infrastructure that facilitates a learning environment that today's students need to compete in a competitive global economy. The Department of Education is limited in the amount of funds that it has available for school modernization and construction, and considering the backlog of school repair and maintenance projects, it is highly unlikely that the Department will be able to keep up with the growing need for school redevelopment. Your Committees further find that public-private partnerships offer an opportunity to fund the modernization of school facilities in a manner that increases educational opportunities for public school students. Your Committees recognize that an innovative approach to facilitate the improved use of public school lands, support community-driven redevelopment, and upgrade school facilities is necessary to meet students' changing educational needs.

However, your Committees believe that the Department of Education is the appropriate entity to implement these "twenty-first century school projects" to modernize and redevelop public school facilities. Accordingly, your Committees have amended this measure by:

- (1) Deleting the provisions that designate the Hawaii Community Development Authority as the lead agency for redeveloping public school lands and facilities;
- (2) Deleting the provisions that channel revenues to the Public Land Development Corporation's school facilities special fund;
- (3) Establishing the Department of Education as the authority responsible for redeveloping public school lands and facilities;
- (4) Authorizing the Board of Education to contract with any government agency or private entity to redevelop school facilities, subject to the state procurement code;
- (5) Specifying that if the Hawaii Community Development Authority is contracted to redevelop public school facilities, the redevelopment project shall not be subject to the exemptions that are otherwise allowed to the Authority under section 206E-7, Hawaii Revised Statutes;
- (6) Requiring the Department of Education to identify sites and establish criteria, specifications, and standards for twenty-first century school projects;
- (7) Requiring the Board of Education to approve, approve with modification, or deny proposals to develop or redevelop public school lands and facilities;
- (8) Designating all public school lands in the State as a public school redevelopment district and authorizing any public school lands within the district to be identified for redevelopment as a twenty-first century school project;
- (9) Limiting the allowable number of twenty-first century school projects to an aggregate total of five;
- (10) Directing the Department of Education to adopt administrative rules for the public school redevelopment district that include a community engagement process;
- (11) Establishing the twenty-first century schools revolving fund to be administered by the Department of Education, and into which shall be deposited the proceeds from the use or redevelopment of public school lands;
- (12) Making an unspecified appropriation to the Department of Education for the purposes of this measure;
- (13) Changing the effective date to July 1, 2112, to encourage further discussion on this matter; and
- (14) Making technical nonsubstantive amendments for the purposes of clarity, conformity, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land, Education, and Finance that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 865, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 865, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Jordan, Kawakami and Takai.
(Representatives Thielen and Ward voted no.)

SCRep. 741 Health on H.B. No. 1130

The purpose of this measure is to improve accountability in the health care system, support clear and consistent roles for all regional systems, and create a more balanced multi-board tiered system by replacing the membership of the five regional chief executive officers on the Hawaii Health Systems Corporation (HHSC) Board of Directors with community members who are appointed by their respective county mayors.

Two individuals supported this measure. The Hawaii Government Employees Association supported the intent of this measure. HHSC opposed this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Making the five regional chief executive officers on the HHSC Board of Directors, ex officio, nonvoting members instead of ex officio, voting members;
- (2) Changing the appointing authority of the five new regional system board members who serve on the HHSC Board of Directors, from the respective county mayors to the governor;
- (3) Emphasizing the statewide role of the HHSC in the purpose section; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1130, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1130, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 742 Health on H.B. No. 373

The purpose of this measure is to improve the detection of breast cancer by requiring health care facilities that perform mammography examinations to provide mammography reports and notification to their patients who are categorized as having dense breast tissue.

Numerous concerned individuals supported this measure.

Your Committee notes that no health care facilities submitted testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 373 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Jordan and Cheape.

SCRep. 743 Health on H.B. No. 652

The purpose of this measure is to permanently allow the operation of remote dispensing machines by a licensed pharmacy or pharmacist.

Testimony in support of this measure was received from the Board of Pharmacy, Kaiser Permanente Hawaii, Hawaii Pacific Health, Hawaii Primary Care Association, and Waianae Coast Comprehensive Health Center. Testimony in opposition to the measure was received from a concerned individual.

Your Committee finds that remote dispensing remains an affordable option for patients to obtain their medications through the use of technology. Remote dispensing machines fulfill a need that is created when "brick and mortar" pharmacies are not available for immediate prescription needs.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 652 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.

SCRep. 744 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.C.R. No. 37

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a perpetual, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key (1) 3-1-038: seaward of 042, Kapahulu, Honolulu, Oahu, for use, maintenance, and repair of the existing seawall and steps, and for use, maintenance, and repair of the existing improvements constructed thereon, pursuant to section 171-53, Hawaii Revised Statutes.

The Department of Land and Natural Resources and a few individuals provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 37 and recommend its adoption.

Signed by all members of the Committee except Representatives Coffman, Kawakami, Lee and Thielen.

SCRep. 745 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1327

The purpose of this measure is to add a member appointed by the Board of Trustees of the Office of Hawaiian Affairs to the Board of Land and Natural Resources, Commission on Water Resource Management, and the Land Use Commission, plus an additional at-large member to the Board of Land and Natural Resources.

One individual testified in support of this measure. The Office of Hawaiian Affairs; Department of the Attorney General; Land Use Commission; Department of Land and Natural Resources; Hawaii Building & Construction Trades Council, AFL-CIO; and Land Use Research Foundation of Hawaii submitted comments.

Your Committees find that the Commission on Water Resource Management is already statutorily required to include one member with substantial experience or expertise in traditional Hawaiian water resource management and riparian usage. Similarly, the Land Use Commission is required to include one member with substantial experience or expertise in traditional Hawaiian land usage and land practices.

Your Committees have amended this measure by:

- (1) Deleting provisions that increased the membership of the Board of Land and Natural Resources, Commission on Water Resource Management, and Land Use Commission, including by adding a member appointed by the Board of Trustees of the Office of Hawaiian Affairs to each of those agencies;
- (2) Adding a provision to require that the Board of Land and Natural Resources include a member with experience or expertise in native Hawaiian traditional and customary practices and specifying qualifications for that member;
- (3) Changing its effective date to July 1, 2020; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1327, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1327, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 746 Finance on H.B. No. 694

The purpose of this measure is to repeal the temporary increase in income tax rates established by Act 60, Session Laws of Hawaii 2009, one year ahead of the scheduled sunset date.

The Department of Taxation and the Tax Foundation of Hawaii provided comments on this measure.

Your Committee notes that the intent of this measure is to provide tax relief to individuals filing taxes in the State.

Your Committee has amended this measure by:

- (1) Imposing on every taxpayer filing jointly, as a surviving spouse, head of household, unmarried individual, or married individual not filing jointly, new unspecified tax rates to apply to taxable years beginning after December 31, 2014;
- (2) Changing its effective date to January 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 694, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 694, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 747 Finance on H.B. No. 1257

The purpose of this measure is to improve the system of taxation in the State by, among other things:

- (1) Expanding application of the general excise tax to business activities in the State that are significantly associated with a seller's ability to establish or maintain a market in the State;
- (2) Creating a presumption under the general excise tax law for sellers of tangible personal property where the seller's activities in the State demonstrate a significant business nexus with the State; and
- (3) Creating a presumption under the use tax law that a seller is engaged in business in the State if the seller's activities in the State demonstrate a significant business nexus with the State.

The Retail Merchants of Hawaii, Walgreen Co., and Walmart supported this bill. The Department of Taxation and Hawaii Association of REALTORS offered comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1257, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1257, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representatives Fukumoto and Ward voted no.)

SCRep. 748 Judiciary on H.B. No. 418

The purpose of this measure is to help reduce unnecessary litigation in the State and encourage alternate means of dispute resolution by adopting the Uniform Mediation Act.

The Hawaii Association of REALTORS; Mediation Center of the Pacific, Inc.; Honolulu Board of REALTORS; Ku'ikahi Mediation Center; Mediation Services of Maui, Inc.; two of Hawaii's Uniform Law Commissioners; and several concerned individuals supported this measure. The Judiciary provided comments.

Your Committee has amended this measure by:

- (1) Specifying that mediation as defined in the measure does not include hooponopono, ifoga, or other similar, traditional or customary dispute resolution practices;
- (2) Setting forth the definition of "international commercial mediation" rather than referencing its meaning to Article 1 of the Model Law on International Commercial Conciliation; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 418, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 418, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.

SCRep. 749 Judiciary on H.B. No. 1287

The purpose of this measure is to help ensure that age-restricted goods and services are not purchased by underage individuals by repealing the requirement that reasonable doubt as to an individual's age exist to permit a business to scan the machine-readable zone of a Hawaii identification card or driver's license to verify an individual's age.

The Liquor Commission of the City and County of Honolulu; Department of Liquor Control of the County of Hawaii; Seven-Eleven Hawaii, Inc.; Hawaii Food Industry Association; Mothers Against Drunk Driving Hawaii; and Coalition for a Drug-Free Hawaii supported this measure. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs, American Civil Liberties Union of Hawaii, and two concerned individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2100, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1287, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1287, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Carroll.
(Representatives Cabanilla, McDermott and Thielen voted no.)

SCRep. 750 Finance on H.B. No. 1443

The purpose of this measure is to help rebuild the reserves of the Hawaii Hurricane Relief Fund by:

- (1) Authorizing the Hawaii Hurricane Relief Fund to conduct itself as a private entity to participate in the insurance market;
- (2) Reactivating the special mortgage recording fee established under Chapter 431P, Hawaii Revised Statutes; and

- (3) Appropriating \$113,250,000 in general funds to be deposited into the Hawaii Hurricane Relief Fund.

The Hawaii Insurers Council opposed this measure. The Department of Budget and Finance and Hawaii Association of REALTORS provided comments.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that concerns were raised that this bill may confer to the Hawaii Hurricane Relief Fund an unfair competitive advantage that is not available to private insurers in the personal lines hurricane insurance market.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1443, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representatives Cullen, Jordan, Takayama, Tokioka, Fukumoto, Johanson and Ward voted no.)

SCRep. 751 Judiciary on H.B. No. 92

The purpose of this measure is to ensure the consistent treatment of absentee ballots by mandating that absentee ballots cast by voters who were eligible to vote when their votes were cast, but subsequently became ineligible will not be deemed invalid solely because of the subsequent ineligibility.

This measure also deletes the requirement that a voter's absentee ballot be invalidated and disposed of upon sufficient proof that the absentee voter died prior to the opening of the polls on the date of election.

The National Association for Uniformed Services Hawaii Chapter (HI-1) and Military Officers Association of America, Hawaii Chapter supported this measure. The Office of Elections, County of Maui Office of the County Clerk, and Kauai County Elections Division of the Office of the County Clerk provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 92 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ito.

SCRep. 752 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 866

The purpose of this measure is to clarify counties' ownership for certain existing sewer systems and facilities servicing Hawaiian Home Lands and to require the counties to accept dedication or license of and responsibility for certain other sewer systems and facilities servicing Hawaiian Home Lands.

The Office of Hawaiian Affairs, the Department of Hawaiian Home Lands, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and an individual provided testimony in support of this measure. The Department of Environmental Services of the City and County of Honolulu provided testimony in opposition to this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2020, for the purpose of facilitating further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee notes that the Department of Environmental Services of the City and County of Honolulu expressed the following concerns regarding sewer lines on Oahu:

- (1) Although it fully accepts responsibility to operate and maintain sewer lines that are owned by the City and County of Honolulu or for which there are intergovernmental agreements for the City and County of Honolulu to operate and maintain, it is unclear as to whether the Legislature may transfer ownership as suggested in the measure by just a declaratory statement;
- (2) The provisions fail to address the fact that most sewer lines on Oahu are from ten to seventy years old and without maintenance are no longer in their original condition and may not have been built to City and County of Honolulu standards;
- (3) It may not be appropriate for other City and County of Honolulu sewer rate payers to accept the burden of upgrading Hawaiian Home Lands sewer systems when that has long been the responsibility of the Department of Hawaiian Home Lands as the owner;
- (4) It is unclear as to whether there exists an ability to transfer the assets of the Department of Hawaiian Home Lands; and
- (5) Properties connected indirectly, including through Hawaiian Home Lands sewer systems, do pay City and County of Honolulu sewer service charges which pay for the operation and maintenance of the City and County of Honolulu-owned sewer lines that transmit wastewater to the City and County of Honolulu's wastewater treatment plants for the treatment and disposal of that wastewater.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 866, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 866, H.D. 2.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 753 Consumer Protection & Commerce/Judiciary on H.B. No. 977

The purpose of this measure is to conform Hawaii's laws relating to commercial driver licensing to the most recent federal regulations. Specifically, among other things, this measure:

- (1) Adds a new section to Chapter 286, Hawaii Revised Statutes, relating to commercial learner's permits, changes existing references to "instruction permits" to the upgraded term "commercial learner's permit," and includes commercial learner's permits in certain regulatory provisions;
- (2) Requires certain surrendered driver's licenses, including commercial driver's licenses, to be shredded;
- (3) Adds and amends definitions to conform to federal regulations;
- (4) Prohibits an employer from allowing an employee to drive a commercial motor vehicle without a current permit or without proper license restrictions and endorsements;
- (5) Modifies the testing method to allow only the use of English during the skills test;
- (6) Establishes a minimum age of 18 for a commercial learner's permit holder and amends standards and processes for issuing a commercial learner's permit;
- (7) Provides for interstate cooperation among state licensing authorities for information sharing and license recognition;
- (8) Allows a digitized or black and white laser engraved photograph to fulfill the photograph requirement of the application for a commercial driver's license or learner's permit; and
- (9) Amends existing and adds new commercial driver's license restriction codes.

The Department of Transportation provided testimony in support of this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2013; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 977, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 977, H.D. 2.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 754 Consumer Protection & Commerce/Judiciary on H.B. No. 1101

The purpose of this measure is to help reduce the number of uncertified motor carriers in the State by:

- (1) Prohibiting uncertified common carriers from recovering undercharges;
- (2) Prohibiting uncertified motor carriers from holding a statutory lien on transported freight or goods; and
- (3) Permitting a person who uses the services of an uncertified motor carrier to bring a judicial action for the recovery of all paid compensation.

The Hawaii Transportation Association testified in support of this measure. The Public Utilities Commission provided comments.

Your Committees have amended this measure by:

- (1) Requiring that a person who brings a judicial action to recover compensation paid to a common carrier by motor vehicle operating in violation of section 271-8, Hawaii Revised Statutes, to first file a complaint with the Public Utilities Commission and receive verification of the carrier's violation of section 271-8; and
- (2) Changing its effective date to July 1, 2013.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1101, H.D. 1, as amended herein, and recommend that it pass Third

Reading in the form attached hereto as H.B. No. 1101, H.D. 2.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 755 Consumer Protection & Commerce/Judiciary on H.B. No. 690

The purpose of this measure is to provide more adequate benefits to individuals killed or injured in traffic accidents by increasing motor vehicle liability insurance coverage from not less than \$20,000 per person to not less than \$35,000 per person.

The Hawaii Association for Justice testified in support of this measure. USAA; National Association of Mutual Insurance Companies; State Farm Mutual Automobile Insurance Company; GEICO; EAN Holdings, LLC; and an individual testified in opposition to this measure. The Department of Commerce and Consumer Affairs and Hawaii Insurers Council provided comments on this measure.

Your Committees have amended this measure by:

- (1) Changing the minimum motor vehicle liability coverage to not less than \$30,000 per person; and
- (2) Changing its effective date to July 1, 2112, to encourage further discussion.

Your Committees note that the average claim in the State for all damages arising out of accidental harm sustained as a result of any one accident of a motor vehicle is \$25,000. Because the current minimum liability coverage for motor vehicles is \$20,000 in Hawaii, insurance policy holders may be exposed to additional out of pocket payments.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 690, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 690, H.D. 2.

Signed by all members of the Committee except Representatives Har and Lee.
(Representatives McDermott and Thielen voted no.)

SCRep. 756 Judiciary on H.B. No. 754

The purpose of this measure is to protect the public health by requiring the counties to investigate and notify the Department of Health of any report of air pollution and to authorize the Director of Health to investigate any building or place upon receipt of a complaint specifically about foul or noxious odors, gases, or vapors.

Three concerned individuals supported this measure. Two concerned individuals opposed this measure. The Department of the Attorney General, Clean Air Branch of the Department of Health, and two concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Authorizing, rather than requiring, the counties to investigate and notify the Department of Health of any report of air pollution; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 754, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 754, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 757 Judiciary on H.B. No. 791

The purpose of this measure is to establish that a director of a nonprofit corporation is entitled to inspect and copy the books, records, and documents of the nonprofit corporation to the extent reasonably related to the director's duties at any reasonable time.

The Department of the Attorney General and Aloha Society of Association Executives testified in support of this measure. One concerned individual provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 791, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 791, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 758 Judiciary on H.B. No. 17

The purpose of this measure is to protect the public's lateral access to the shoreline by making permanent the requirement that landowners remove the landowner's human induced, enhanced, or unmaintained vegetation that blocks the corridor seaward of the shoreline.

The Department of Land and Natural Resources; Office of Hawaiian Affairs; Office of Planning; Kuliouou/Kalani Iki Neighborhood Board #2; Hookipa Network, Kauai; and numerous concerned individuals supported this measure. The Hawaii Association of REALTORS and one concerned individual opposed this measure. The Land Use Research Foundation of Hawaii and two concerned individuals offered comments on this measure.

Your Committee has amended this measure by extending for two years, rather than making permanent, the requirement that landowners remove vegetation that blocks the corridor seaward of the shoreline.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 17, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 17, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 759 Judiciary on H.B. No. 90

The purpose of this measure is to establish a temporary Emergency Response Vehicle Noise Task Force within the Department of Health to examine the use and effectiveness of lights and sirens by emergency response vehicles when these vehicles respond to calls. Specifically, the Task Force shall determine:

- (1) The noise impact of sirens used by emergency response vehicles and whether these sirens enhance the safety of first responders and the public; and
- (2) The effectiveness of the use of lights rather than sirens by emergency response vehicles at night.

The Department of Transportation and numerous concerned individuals supported this measure. The Department of Health and the Honolulu Police Department opposed this measure. The State Fire Council; Kauai Fire Department; Department of Fire and Public Safety, County of Maui; and Hawai'i Fire Department provided comments.

Your Committee has amended this measure by:

- (1) Adding a member of the blind community to the Task Force;
- (2) Changing its effective date to upon its approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 90, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 90, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 760 Judiciary on H.B. No. 1132

The purpose of this measure is to ensure transparency in government by amending the state Code of Ethics to:

- (1) Specify that state employees must file a disclosure of financial interest statement between January 1 and May 31 of each year; and
- (2) Require state legislators to file a disclosure of financial interest statement between January 1 and January 31 of each year.

The State Ethics Commission, Life of the Land, and numerous concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying which state employees must file the disclosure of financial interest statement between January 1 and May 31 of each year; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1132, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1132, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Kawakami and Wooley.

SCRep. 761 Economic Development & Business/Consumer Protection & Commerce on H.B. No. 811

The purpose of this measure is to:

- (1) Improve the ease and efficiency of the Energy Industry Information Reporting Act processes for reporting entities by combining all

information and registration gathering functions with the Department of Business, Economic Development, and Tourism (DBEDT); and

- (2) Clarify the enforcement and investigatory powers of the Public Utilities Commission following the consolidation of information gathering and registration functions within DBEDT.

DBEDT testified in support of this measure. The Public Utilities Commission also testified in support of this measure and offered amendments.

Your Committees have amended this measure by:

- (1) Changing its effective date to January 20, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 811, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 811, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Choy, Har, Kawakami, Tokioka, Yamane and McDermott.

SCRep. 762 Finance on H.B. No. 343

The purpose of this measure is to clarify the law to address the latest generation of gambling devices in Hawaii. Specifically, this measure amends the gambling law to provide that gambling activities offered incident to the purchase of goods or services, or any entries, credits, or play points that extend or permit the privilege of playing a game of chance without charge, constitute gambling.

The Honolulu Police Department, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Coalition Against Legalized Gambling, Hawaii Family Forum, Hawaii Catholic Conference, and a concerned individual supported this measure. PJY Enterprises, LLC, and numerous concerned individuals opposed this bill. A concerned individual submitted comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 343, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 343, H.D. 2.

Signed by all members of the Committee.

SCRep. 763 Finance on H.B. No. 1481

The purpose of this measure is to increase equity in Hawaii's election system by, among other things, establishing a comprehensive system of public financing for elections to the State House of Representatives and the State Senate, beginning with the 2016 election. This measure also excludes candidates for the offices of Governor, Lieutenant Governor, State Senator, and State Representative from access to the existing partial public financing program.

The League of Women Voters of Hawaii; Conservation Council for Hawaii; Sierra Club, Hawaii Chapter; and numerous concerned individuals supported this measure. A concerned individual opposed this measure. The Campaign Spending Commission and Voter Owned Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Increasing from 30 to 350 the number of individuals whose signatures must be accompanied by a qualifying contribution that candidates must include in their application for certification when seeking public funding for election to the office of State Senator;
- (2) Increasing from 15 to 250 the number of individuals whose signatures must be accompanied by a qualifying contribution that candidates must include in their application for certification when seeking public funding for election to the office of State Representative;
- (3) Decreasing the qualifying contribution amount to \$5 from \$100; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1481, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1481, H.D. 2.

Signed by all members of the Committee.

SCRep. 764 Finance on H.B. No. 332

The purpose of this measure is to further assist Hawaii's tourism industry by authorizing the Hawaii Tourism Authority to enter into grant

agreements for the development of visitor industry products and programs, including cultural programs, community-based tourism activities, such as festivals and events, environmental projects and other appropriate activities.

While exempting the grants from the requirements of Hawaii's grants and subsidies law, this measure provides grant making safeguards, including grant application criteria and review and performance monitoring requirements.

The Hawaii Tourism Authority and a concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Defining the term "grant";
- (2) Changing its effective date to July 1, 2030, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 332, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 332, H.D. 1.

Signed by all members of the Committee.

SCRep. 765 Finance on H.B. No. 7

The purpose of this measure is to strengthen elderly and vulnerable adult care in the State through the awarding of grants by establishing the Hawaii Kupuna Trust Fund as a way of financing programs and services for elderly and vulnerable adults.

Two concerned individuals supported this measure. The Executive Office on Aging, Department of Budget and Finance, and a concerned individual submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 7, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 7, H.D. 2.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 766 Finance on H.B. No. 407

The purpose of this measure is to support early detection, screening, and treatment of breast and cervical cancer by appropriating \$100,000 for each year of the 2013-2015 fiscal biennium for the Comprehensive Breast and Cervical Cancer Control Program under the Department of Health.

The Hawaii Medical Association, The Queen's Medical Center, the American Cancer Society Cancer Action Network, and a concerned individual testified in support of this measure. The Department of Health provided comments.

Your Committee has amended this bill by:

- (1) Changing the amount appropriated for the Comprehensive Breast and Cervical Cancer Control Program under the Department of Health from \$100,000 for each year of the 2013-2015 fiscal biennium to an unspecified sum; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 407, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 407, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 767 Finance on H.B. No. 417

The purpose of this measure is to address the shortage of primary care providers and improve access to healthcare by appropriating funds for the interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Hilo Medical Center.

The Office of the Mayor for the County of Hawaii, Kauai County Council, Hawaii County Council, a member of the City Council of the City and County of Honolulu, Hawaii Council of Mayors, the Chancellor of the University of Hawaii at Hilo, the College of Pharmacy at the University of Hawaii at Hilo, John A. Burns School of Medicine, the School of Nursing and Dental Hygiene at the University of Hawaii at Manoa, Hawaii Health Systems

Corporation, Hawaii Health Systems Corporation East Hawaii Regional Board, Hilo Medical Center Foundation, Japanese Chamber of Commerce and Industry of Hawaii, Hawaii Island Chamber of Commerce, Kona-Kohala Chamber of Commerce, Hawaii Island Portuguese Chamber of Commerce, AARP, Hawaii Medical Association, Hawaii Medical Service Association, Hawaii Island Family Medicine Residency Program, North Hawaii Community Hospital, Hawaii State Center for Nursing, Hawaii Island Healthcare Alliance, and numerous concerned individuals submitted testimony in support of the measure.

Your Committee has amended this measure by:

- (1) Amending appropriations to unspecified amounts; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 417, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 417, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 768 Finance on H.B. No. 658

The purpose of this measure is to take proactive measures to prevent tooth decay among children by:

- (1) Authorizing licensed dental hygienists to apply preventative sealants in a school-based dental sealant program;
- (2) Requiring the Department of Health, in consultation with specified stakeholders, to:
 - (A) Establish and administer a school-based dental sealant program in a high-need demonstration school;
 - (B) Determine a plan to establish a statewide school-based dental sealant program; and
 - (C) Submit a report to the Legislature prior to the 2015 Regular Session on its efforts to prioritize prevention of tooth decay among children in the State; and
- (3) Appropriating funds to establish and administer the school-based dental sealant program in a high-need demonstration school, including plans to implement the program statewide.

The Department of Education, State Council on Developmental Disabilities, Hawaii Dental Hygienists' Association, Maui Oral Health Task Force, and a few individuals testified in support of this measure. The Hawaii Dental Association and an individual testified in opposition to this measure. The Board of Dental Examiners, Department of Health, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring that the Department of Health's report to the Legislature be submitted no later than September 1, 2014;
- (2) Changing the appropriation to an unspecified amount; and
- (3) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 658, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 658, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 769 Finance on H.B. No. 908

The purpose of this measure is to promote healthy child development and strengthen families in Hawaii. Among other things this measure:

- (1) Establishes the Hawaii Home Visiting Program within the Department of Health to provide statewide hospital-based screening and home visiting services to identify families of newborns at risk for poor health and safety outcomes, including child abuse and neglect; and
- (2) Appropriates \$3,000,000 to establish and administer the Program.

The Department of Health; Executive Office on Early Learning; Maui Family Support Services, Inc.; Hawaii Family Support Institute; Catholic Charities Hawaii; Child and Family Service; and numerous concerned individuals testified in support of this measure.

Your Committee has amended this bill by:

- (1) Changing the appropriation for the establishment and administration of the Program from \$3,000,000 to an unspecified sum;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 908, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 908, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 770 Finance on H.B. No. 115

The purpose of this measure is to address long-standing repair and maintenance projects at University of Hawaii campuses statewide by:

- (1) Establishing the Campus Planning Facility Board to oversee the funding of repair and maintenance projects;
- (2) Establishing the Major Repairs and Replacement Special Fund with an expenditure ceiling of \$100,000,000, to be used solely to fund projects on the University's backlog list; and
- (3) Authorizing the issuance of \$38,000,000 in general obligation bonds for each year of the fiscal biennium to finance these projects.

The Department of Budget and Finance and University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Making unspecified the amount of general obligation bonds authorized;
- (2) Making unspecified the expenditure ceiling; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 115, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 115, H.D. 3.

Signed by all members of the Committee.

SCRep. 771 Finance on H.B. No. 191

The purpose of this measure is to authorize the Board of Land and Natural Resources to consult with and receive assistance from the Hawaii Community Development Authority with regard to planning, developing, operating, administering, and maintaining small boat harbors.

Several individuals testified in opposition to this measure. The Department of Land and Natural Resources and two individuals provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 191, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 191, H.D. 1.

Signed by all members of the Committee except Representative Ing.

SCRep. 772 Finance on H.B. No. 193

The purpose of this measure is to provide a reasonable means by which developers may satisfy any requirements, terms, or conditions imposed by the Land Use Commission as part of the approval of a district boundary amendment. Specifically, this bill requires the Land Use Commission, upon request and if certain conditions are met, to extend the time period by which a petitioner shall comply with the requirements, terms, or conditions of a district boundary amendment.

The Pacific Resource Partnership and General Contractors Association of Hawaii testified in support of this bill. The Land Use Commission testified in opposition to this measure. The Office of Planning of the State of Hawaii and Department of Planning and Permitting of the City and County of Honolulu provided comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 193, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 193, H.D. 1.

Signed by all members of the Committee.

SCRep. 773 Finance on H.B. No. 194

The purpose of this measure is to continue to preserve Hawaii's history and strengthen the State Historic Preservation Division of the Department of Land and Natural Resources by:

- (1) Requiring the State Historic Preservation Officer to meet the required professional qualification standards established by the United States Secretary of the Interior;
- (2) Requiring the State Historic Preservation Officer to ensure that the State Historic Preservation Division fulfills all the responsibilities of a state historic preservation office as established under federal laws; and
- (3) Converting certain positions within the State Historic Preservation Division to civil service status.

The Historic Hawaii Foundation, Legislative Committee of the Society for Hawaiian Archaeology, and a concerned individual testified in support of this bill. The Department of Land and Natural Resources testified in opposition to this measure. The Department of Human Resources Development provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 194, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 194, H.D. 2.

Signed by all members of the Committee.

SCRep. 774 Finance on H.B. No. 988

The purpose of this measure is to support the operations of an environmental disaster standby and response facility to respond to oil and fuel-related disasters affecting native wildlife in the State.

Specifically, this measure:

- (1) Increases the environmental response, energy, and food security tax by an unspecified amount until June 30, 2015, and on June 30, 2015, and thereafter assesses an environmental response tax of \$0.07 per barrel; and
- (2) Deposits a specified amount of revenue collected from the tax into the Wildlife Recovery and Rehabilitation Special Fund.

The Office of Hawaiian Affairs, Conservation Council for Hawaii, Hawaii Wildlife Center, Rhoady Lee Architecture & Design, and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources, Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting an unspecified amount to be deposited into the Wildlife Recovery and Rehabilitation Special Fund;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 988, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 988, H.D. 2.

Signed by all members of the Committee.
(Representatives Fukumoto and Johanson voted no.)

SCRep. 775 Finance on H.B. No. 1074

The purpose of this measure is to encourage the public to participate in historic preservation by providing a refundable income tax credit for expenditures made to rehabilitate or preserve a historic structure.

The Department of Land and Natural Resources, Historic Hawaii Foundation, and an individual provided testimony in support of this measure. The Department of the Attorney General, the Department of Taxation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting a superfluous provision stating that individuals who are party to a reciprocal beneficiary relationship or a civil union may

claim the tax credit in the same manner as a husband and wife, to the extent that they are eligible to file a joint tax return. Act 1, Session Laws of Hawaii 2011, already allows civil union couples to be treated as married for purposes of state tax law;

- (2) Clarifying that the Department of Taxation report to the legislature annually, no later than September 1 of each year, on the number of taxpayers claiming the historic preservation tax credit and the total cost of the historic preservation tax credit to the State during the past year; and
- (3) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1074, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1074, H.D. 2.

Signed by all members of the Committee.

SCRep. 776 Finance on H.B. No. 1292

The purpose of this measure is to require that all dispositions of public land in fee simple or by lease with option to purchase and executions of quitclaim deeds by the Department of Land and Natural Resources be subject to the express approval of the Legislature by concurrent resolution to be adopted by at least a two-thirds majority vote of the members to which each house is entitled.

Several individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Land and Natural Resources, Office of Hawaiian Affairs, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1292, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1292, H.D. 1.

Signed by all members of the Committee except Representative Ing.

SCRep. 777 Finance on H.B. No. 1330

The purpose of this measure is to appropriate \$2,000,000 to the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to restore funding cuts experienced over the past four years.

The Environmental Caucus of the Democratic Party of Hawaii; The Nature Conservancy; Conservation Council for Hawaii; Coral Fish Hawaii; Sierra Club, Hawaii Chapter; and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of the appropriation; and
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1330, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1330, H.D. 1.

Signed by all members of the Committee except Representative Ing.

SCRep. 778 Finance on H.B. No. 70

The purpose of this measure is to facilitate the growth and development of the commercial high technology industry in Hawaii by amending Act 240, Session Laws of Hawaii 2012, to delete the repeal of the High Technology Innovation Corporation that would have taken effect on June 30, 2013.

The Hawaii Strategic Development Corporation, High Technology Development Corporation, and High Technology Innovation Corporation provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to June 29, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 70, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 70, H.D. 2.

Signed by all members of the Committee.

SCRep. 779 Finance on H.B. No. 471

The purpose of this measure is to address light pollution issues and preserve the quality of the night sky by enabling the Starlight Reserve Committee to continue its advisory duties in developing a statewide starlight reserve strategy.

Specifically, this measure extends the termination date of the Committee for two years until June 30, 2015.

The Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Starlight Reserve Committee; and an individual provided testimony in support of this measure.

Your Committee has amended this measure by changing its effective date to June 29, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 471, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 471, H.D. 1.

Signed by all members of the Committee.

SCRep. 780 Finance on H.B. No. 473

The purpose of this measure is to support the Natural Energy Laboratory of Hawaii Authority in its efforts to attract new projects by extending certain enterprise zone benefits to Natural Energy Laboratory of Hawaii Authority research and technology park businesses and projects in an enterprise zone.

The Natural Energy Laboratory of Hawaii Authority provided testimony in support of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 473, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 473, H.D. 1.

Signed by all members of the Committee.

SCRep. 781 Finance on H.B. No. 395

The purpose of this measure is to address the need for access to safe places by youth in the State by:

- (1) Requiring the Office of Youth Services to coordinate a two-year Safe Places for Youth Pilot Program in partnership with private organizations, to coordinate a network that youth may access for safety and where they may obtain advice, guidance, programs, and services;
- (2) Establishing a Safe Places for Youth Pilot Program Coordinator position to, among other things, coordinate the safe places for youth network; and
- (3) Appropriating an unspecified amount of funds for the Safe Places for Youth Pilot Program Coordinator position and residential options for the pilot program.

The Department of Education, Hawaii Youth Services Network, Community Alliance for Mental Health, United Self Help, IMUAlliance, Adult Friends for Youth, and several concerned individuals supported this measure. The Office of Youth Services commented on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Office of Youth Services to submit a report to the Legislature no later than September 1, 2014, on the Safe Places for Youth Pilot Program's accomplishments, number of youths assisted by the program, any proposed legislation, and a recommendation as to whether the program should be made permanent;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 395, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 395, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 782 Finance on H.B. No. 1188

The purpose of this measure is to improve access to economic and educational opportunities to help families achieve self-sufficiency and financial security while reducing the number of Hawaii residents living in poverty by:

- (1) Creating the Economic Opportunity Poverty Reduction Task Force to assess current state policies and practices that promote economic opportunity and poverty reduction; and
- (2) Develop a strategic, integrated, and comprehensive plan to expand economic opportunities in Hawaii to reduce the number of Hawaii residents, including children and families, living in poverty.

A concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1188, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1188, H.D. 1.

Signed by all members of the Committee except Representative Ing.

SCRep. 783 Finance on H.B. No. 1298

The purpose of this measure is to assist developmentally, intellectually, or physically disabled individuals in obtaining employment by providing an incentive for employers to hire these individuals. Specifically, this measure establishes a nonrefundable income tax credit for employers that hire developmentally, intellectually, or physically disabled individuals that is equal to fifty percent of the individual's qualified wages for the first six months the individual is employed.

Numerous individuals testified in support of this bill. The Department of Taxation, Department of Health, State Council on Developmental Disabilities, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1298, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1298, H.D. 1.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 784 Finance on H.B. No. 1402

The purpose of this measure is to find innovative approaches to invest in early education programs by requiring the Executive Office on Early Learning to conduct a study on the feasibility of using social impact bonds to fund early learning programs and services in the State.

The Department of Budget and Finance, Hawaii Association for the Education of Young Children, Hawaii Business Roundtable, and Good Beginnings Alliance testified in support of this measure. The Legislative Reference Bureau and the Executive Office on Early Learning provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1402, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1402, H.D. 2.

Signed by all members of the Committee.

SCRep. 785 Finance on H.B. No. 1430

The purpose of this measure is to fund the establishment and operation of a comprehensive service center for deaf, hard of hearing, and deaf-blind individuals by appropriating funds to the Department of Human Services for this purpose.

The Deaf and Hard of Hearing Advisory Board, Community Alliance for Mental Health, United Self Help, and numerous concerned individuals supported this measure. The Division of Vocational Rehabilitation of the Department of Human Services and the Disability and Communication Access Board submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the specified amounts of the appropriations;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1430, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1430, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 786 Finance on H.B. No. 858

The purpose of this measure is to provide appropriations for each year of fiscal biennium 2013-2015, for the Hawaii Strategic Development Corporation to implement the recommendations of the Governor's New Day Plan to reinvigorate state efforts to fuel an innovation economy and advance research innovation and commercialization.

The Office of the Governor; Department of Business, Economic Development, and Tourism; University of Hawaii; High Technology Development Corporation; Hawaii Strategic Development Corporation; AKAMAI Foundation; AKAMAI Capital LLC; Blue Startups; Cardax Pharmaceuticals, Inc.; The Chamber of Commerce of Hawaii; Creative Market Labs, Inc.; CoXist Studio; Collins+8th; Doi & D'Angelo Artworks DBA Ecolicious; Hawaii Association of Media Arts; Hawaii Angels; Hawaii Venture Capital Association; Hawaii Fashion Incubator; Hawaii Growth Initiative; Hyperspective Studios, Inc.; Ikehu, Inc.; Lady Ease Limited; mod. Vintage; Nalukai Foundation; Rientech; Startup Capital Ventures; Startup Hui; and numerous individuals testified in support of this measure. An individual testified in opposition of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 858, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 858, H.D. 1.

Signed by all members of the Committee.

SCRep. 787 Finance on H.B. No. 158

The purpose of this measure is to assist members of the National Guard with higher education expenses. Among other things, this bill:

- (1) Expands the scope of the Hawaii National Guard's tuition assistance program by including members with officer ranks O-4 and O-5;
- (2) Authorizes tuition assistance for students working toward any degree; and
- (3) Provides priority consideration for tuition assistance to those students working toward an associate or undergraduate degree as well as those students who are enlisted personnel and warrant officers.

The Adjutant General of the State of Hawaii and National Association for Uniformed Services Hawaii Chapter testified in support of this bill. The State Office of Veterans Services and University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 158, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 158, H.D. 3.

Signed by all members of the Committee except Representative Ward.

SCRep. 788 Finance on H.B. No. 196

The purpose of this measure is to support the establishment of a Veterans Treatment Court to manage the unique needs of veterans entering the criminal justice system with mental illness and substance abuse issues arising from their service to the country. Specifically, this measure authorizes the establishment of, and provides funding for:

- (1) A permanent, full-time, Social Worker IV position in the Judiciary;
- (2) A permanent, full-time, deputy public defender position in the Office of the Public Defender; and
- (3) Two temporary, full-time, deputy prosecuting attorney positions within the Department of the Prosecuting Attorney of the City and County of Honolulu, through a grant-in-aid.

The Judiciary; The Chamber of Commerce of Hawaii; Military Officers Association of America, Hawaii Chapter; National Association for Uniformed Services Hawaii Chapter; and many concerned individuals testified in support of this measure. The State Office of Veterans Services provided comments.

Your Committee has amended this measure by:

- (1) Amending the appropriations by changing the amounts to unspecified amounts;
- (2) Amending its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 196, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 196, H.D. 1.

Signed by all members of the Committee.

SCRep. 789 Finance on H.B. No. 742

The purpose of this measure is to allow the Hawaii Public Housing Authority to assign to a collection agency and to delete from its accounts receivable records with the Attorney General's approval, accounts for vacated units in state low-income public housing projects that are delinquent for at least 90 days.

The Hawaii Public Housing Authority provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 742, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 742, H.D. 2.

Signed by all members of the Committee.

SCRep. 790 Finance on H.B. No. 276

The purpose of this measure is to address the affordable rental housing needs of Hawaii's aging population by authorizing the issuance of general obligation bonds and making an appropriation for the construction of the Senior Residence at Piikoi, Oahu.

The Pacific Housing Assistance Corporation; Alexander & Baldwin, Inc.; and a concerned individual testified in support of this bill. The Hawaii Housing Finance and Development Corporation provided comments.

Your Committee has amended this measure by:

- (1) Changing the amount of general obligation bonds authorized to be issued and the amount of the appropriation for the construction of the Senior Residence at Piikoi, Oahu, from \$10,000,000 to an unspecified sum;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 276, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 276, H.D. 2.

Signed by all members of the Committee.

SCRep. 791 Finance on H.B. No. 532

The purpose of this measure is to require the Hawaii Public Housing Authority to include, subject to any federal law or regulatory limitations, the value of all motor vehicles registered to all tenants of dwelling units as assets in the calculation for determining income eligibility for state low-income housing.

The Hawaii Public Housing Authority supported this measure. The Community Alliance for Mental Health and Hawaii Appleseed Center for Law and Economic Justice opposed this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Hawaii Public Housing Authority must include the value of all motor vehicles registered to any tenant, rather than all tenants, of a dwelling unit when determining whether the tenant's annual net income and assets are within established maximum limits for state low-income housing qualification;
- (2) Changing its effective date to July 1, 2030, to facilitate continued discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 532, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 532, H.D. 2.

Signed by all members of the Committee.

SCRep. 792 Finance on H.B. No. 536

The purpose of this measure is to allow the Hawaii Public Housing Authority to better serve the most needy of Hawaii's residents and provide low-income housing to individuals who have no other means of shelter. Specifically, this bill requires the Hawaii Public Housing Authority to refuse to select any applicant for, or terminate the tenancy of an individual residing in, state low-income housing if the applicant, tenant, or a household member owns or acquires a home within the State.

The Hawaii Public Housing Authority testified in support of this measure.

Your Committee has amended this bill by:

- (1) Authorizing, rather than requiring, the Hawaii Public Housing Authority to refuse to select any applicant for, or terminate the tenancy of an individual residing in, state low-income housing if the applicant, tenant, or a household member owns or acquires a home within the State; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 536, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 536, H.D. 1.

Signed by all members of the Committee.

SCRep. 793 Finance on H.B. No. 1119

The purpose of this measure is to improve conditions in Hawaii's public housing by appropriating funds to assist the Hawaii Public Housing Authority with the redevelopment of Mayor Wright Homes.

The Hawaii Public Housing Authority testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified sums;
- (2) Inserting a provision specifying that funds appropriated shall not be expended unless matched with private or federal funds;
- (3) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1119, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1119, H.D. 1.

Signed by all members of the Committee.

SCRep. 794 Finance on H.B. No. 486

The purpose of this measure is to appropriate funds to the Department of Education and the University of Hawaii for the implementation and operation of Future Farmers of America and 4-H programs to educate and support youth in pursuing agricultural careers.

The Hawaii Farm Bureau Federation, Local Food Coalition, Hawaii Cattlemen's Council, Monsanto Hawaii, Ulupono Initiative, and several concerned individuals testified in support of this measure. Two concerned individuals expressed their opposition toward this measure. One concerned individual offered comments.

Your Committee has amended this measure by:

- (1) Inserting unspecified appropriation amounts; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 486, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 486, H.D. 1.

Signed by all members of the Committee.

SCRep. 795 Finance on H.B. No. 508

The purpose of this measure is to make it easier for state agencies to procure local products to promote food sustainability and self-sufficiency by exempting from the Procurement Code any contract by governmental bodies to procure fresh meat and produce, and animals and plants, for use by any governmental body.

The State Procurement Office, Office of Planning, Department of Agriculture, Department of Education, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Cattlemen's Council, Ulupono Initiative, and several individuals testified in support of this measure. The Hawaii Farm Bureau Federation and The Kohala Center offered comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 508, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 508, H.D. 2.

Signed by all members of the Committee.

SCRep. 796 Finance on H.B. No. 1388

The purpose of this measure is to assist aquacultural operations on Kauai by authorizing the issuance of special purpose revenue bonds to assist Sunrise Capital, Inc., in protecting its shrimp hatchery facility and its salt water well, and relocating them further inland to avoid seaside erosion.

A concerned individual testified in support of this measure. The Department of Budget and Finance offered comments.

Your Committee has amended this measure by leaving the total bond amount blank.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1388, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1388, H.D. 1.

Signed by all members of the Committee.

SCRep. 797 Finance on H.B. No. 1

The purpose of this measure is to require the Director of the Executive Office on Aging to contract for the performance of a policy analysis and an actuarial analysis of a proposed limited, mandatory public long term care insurance program for the State's working population and to appropriate funds for that purpose.

The Policy Advisory Board for Elder Affairs, Hawai'i Alliance for Retired Americans, AARP Hawaii, Faith Action for Community Equity, ILWU Local 142, and numerous individuals supported this measure. The National Association of Insurance and Financial Advisors-Hawaii opposed this measure. The Executive Office on Aging provided comments.

Your Committee has amended this measure by:

- (1) Inserting unspecified amounts for the appropriations;
- (2) Changing the due date on which the policy analysis and actuarial analysis are to be submitted to the Legislature, to September 1, 2014;
- (3) Changing its effective date to July 1, 2030, to facilitate further discussion; and

- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 798 Finance on H.B. No. 24

The purpose of this measure is to support and encourage mediation to settle condominium-related disputes by:

- (1) Allocating portions of the Condominium Education Trust Fund to support mediation; and
- (2) Requiring condominium projects or associations with more than five units to pay a bi-annual fee in an unspecified amount to be deposited into the Condominium Education Trust Fund.

The Hawaii Real Estate Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting provisions that set a fee prior to the establishment of fees by the Real Estate Commission pursuant to Chapter 91 rulemaking procedures;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 24, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 24, H.D. 2.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 799 Finance on H.B. No. 680

The purpose of this measure is to apply the conveyance tax to transfers or conveyance of a controlling interest in an entity with an interest in real property located in the State.

The Nature Conservancy; Hawaii Appleseed Center for Law and Economic Justice; Catholic Charities Hawaii; Housing Hawaii; Partners In Care; Sierra Club, Hawaii Chapter; and a concerned individual supported this measure. The Land Use Research Foundation of Hawaii opposed this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 680, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 680, H.D. 2.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 800 Finance on H.B. No. 1342

The purpose of this measure is to amend statutory law relating to the collection of delinquent accounts by the Attorney General, including:

- (1) Establishing the Civil Recoveries Fund, into which will be deposited an unspecified percentage of moneys collected by the Attorney General for delinquent accounts turned over for collection by any executive department, executive agency, or the Judiciary, and legislative appropriations;
- (2) Authorizing the Attorney General to use the moneys in the Civil Recoveries Fund for expenditures relating to the collection of delinquent accounts on behalf of executive departments, executive agencies, and the Judiciary;
- (3) Authorizing executive departments, executive agencies, or the Judiciary to turn over their delinquent accounts of more than 90 days past due to the Attorney General for collection;
- (4) Specifying that after the deposit of an unspecified percentage of moneys recovered into the Civil Recoveries Fund, the remainder of

moneys collected shall be returned to the appropriate executive department, executive agency, or the Judiciary; and

- (5) Requiring the Attorney General to submit a report on the accounting of the receipts and expenditures of the Civil Recoveries Fund to the Legislature no later than 20 days prior to the convening of each regular session.

The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the due date of the report that the Attorney General must submit to the Legislature, to no later than September 1 of each year;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1342, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1342, H.D. 2.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 801 Finance on H.B. No. 338

The purpose of this measure is to authorize the issuance of special purpose revenue bonds of up to \$200,000,000, for Kaiuli Energy LLC for the planning, design, and construction of a seawater air conditioning district cooling system in and around Waikiki, Oahu.

The High Technology Development Corporation, Blue Planet Foundation, Kaiuli Energy, and Ulupono Initiative provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of the special purpose revenue bonds authorized to be issued;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 338, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 338, H.D. 2.

Signed by all members of the Committee.

SCRep. 802 Finance on H.B. No. 505

The purpose of this measure is to implement the Office of Planning's recommendations and appropriate funds for the development of a statewide system of greenways and trails.

The Oahu Island Parks Conservancy, Windward Ahupuaa Alliance, and a few individuals provided testimony in support of this measure. The Office of Planning provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing to an unspecified amount the sum appropriated to develop a statewide greenways plan; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 505, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 505, H.D. 2.

Signed by all members of the Committee.

SCRep. 803 Finance on H.B. No. 899

The purpose of this measure is to reinstate the Deposit Beverage Container Deposit Special Fund's exemption from deduction and transfer to the general fund of five percent of receipts for purposes of defraying the central service expenses of the State related to that Special Fund.

The Department of Health; Department of Public Works, County of Kaua‘i; Sierra Club, Hawaii Chapter; Aloha Glass Recycling, Inc.; Conservation Council for Hawai‘i; and one individual submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030; and
- (2) Ensuring that the amendments made by this measure, to reinstate the exemption of the Special Fund from central service expense responsibility, will not be repealed when section 36-27(a), Hawaii Revised Statutes, is reenacted on June 30, 2015, as provided by Act 79, Session Laws of Hawaii 2009.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 899, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 899, H.D. 2.

Signed by all members of the Committee except Representative Kobayashi.

SCRep. 804 Finance on H.B. No. 1149

The purpose of this measure is to protect the public against health and safety hazards and to preserve the natural beauty of Hawaii by establishing standards and assurances of adequate financial resources for safe and proper decommissioning that shall apply to wind energy facilities at the end of their useful lives, unless an owner of a wind energy facility has an existing lease or other agreement that provides for decommissioning.

The Department of Commerce and Consumer Affairs Division of Consumer Advocacy and an individual provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism and the International Longshore and Warehouse Union Local 142 provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1149, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1149, H.D. 3.

Signed by all members of the Committee.

SCRep. 805 Judiciary on H.B. No. 252

The purpose of this measure is to:

- (1) Require the Native Hawaiian Roll Commission, in cooperation with the Office of Hawaiian Affairs, to submit annual reports to the Governor and the Legislature prior to each regular session;
- (2) Specify that the roll of qualified Native Hawaiians is confidential;
- (3) For purposes of establishing the roll of qualified Native Hawaiians, expand the criteria of a "qualified Native Hawaiian" to include an individual who meets the ancestry requirements of Kamehameha Schools or of the Hawaiian Registry Program of the Office of Hawaiian Affairs; and
- (4) Repeal the directive to amend the Hawaiian Homes Commission Act that is included in the state law which established the Native Hawaiian Roll Commission, since no amendment to that Act is required to accomplish the purpose of the Roll Commission.

The Association of Hawaiian Civic Clubs and a concerned individual supported this measure. Two concerned individuals opposed this measure. The Department of Hawaiian Home Lands, Office of Hawaiian Affairs, and Native Hawaiian Roll Commission commented on this measure.

Your Committee has amended this measure by changing its effective date to January 1, 2100, to promote further discussion.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 252, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 252, H.D. 2.

Signed by all members of the Committee except Representative Ito.

SCRep. 806 Judiciary on H.B. No. 25

The purpose of this measure is to help ensure that properties do not deteriorate, thereby lowering overall property values, by permitting planned community associations and condominium associations, as junior lienholders, to initiate or continue a nonjudicial foreclosure action on a property subject to

judicial foreclosure and during the pendency of a stay pursuant to law.

This measure also repeals the requirement that the power of sale foreclosure process be stayed during the pendency of a circuit court foreclosure action.

The Hawaii Financial Services Association, Hawaii Council of Associations of Apartment Owners, and a concerned individual supported this measure. The Mortgage Bankers Association of Hawaii opposed this bill. The Department of Commerce and Consumer Affairs, Department of Commerce and Consumer Affairs Office of Consumer Protection, and Hawaii Bankers Association provided comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to January 1, 2100, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 25, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 25, H.D. 2.

Signed by all members of the Committee except Representative Ito.

SCRep. 807 Judiciary on H.B. No. 651

The purpose of this measure is to amend the Uniform Controlled Substances Act, in chapter 329, Hawaii Revised Statutes, by adding definitions consistent with federal law, clarifying conditions for electronic prescriptions, and specifying prohibited acts related to electronic prescriptions.

The Department of Public Safety, Hawaii Medical Service Association, Hawaii Medical Association, CVS Caremark, Kaiser Permanente Hawaii, and Walgreen Co. supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 651, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 651, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 808 Health on H.B. No. 1440

The purpose of this measure is to increase awareness about opportunities for organ and tissue donation by requiring driver education and training programs to include the distribution of information on organ and tissue donation and the possibility of saving lives through organ and tissue donation.

The Councilmember representing District IV of the City and County of Honolulu and a concerned individual supported this measure. The Department of Education opposed this measure.

Your Committee wishes to convey that the intent of this measure is to increase awareness about opportunities for organ and tissue donation through the distribution of handouts.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1440, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Cheape.

SCRep. 809 Health on H.B. No. 1131

The purpose of this measure is to improve the overall health of children by requiring children to have a dental examination prior to entering any elementary, middle or intermediate, or high school for the first time in the State with specified provisions for a child with a developmental disability.

The Department of Health and the State Council on Developmental Disabilities supported the intent of this measure. The Department of Education and two concerned individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Deleting the specified provisions for a child with a developmental disability;
- (2) Lengthening the time, from thirty days to ninety days, in which a child must obtain the required immunizations or physical or dental examination before the child's parent or guardian is notified that the child will not be admitted to school;
- (3) Specifying that the provisions in this bill apply beginning with the 2015-2016 school year;

- (4) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1131, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1131, H.D. 2.

Signed by all members of the Committee except Representatives Jordan and Cheape.

SCRep. 810 Finance on H.B. No. 808

The purpose of this measure is to preserve the tax-qualified status of the Employees' Retirement System (ERS) by providing that civil union partners are not entitled to spousal rights under the ERS where application of those spousal rights to civil union partners conflicts with the Internal Revenue Code.

The Department of Budget and Finance and Employees' Retirement System Board of Trustees supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for consistency and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 808, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 808, H.D. 1.

Signed by all members of the Committee.

SCRep. 811 Finance on H.B. No. 1374

The purpose of this measure is to reduce unnecessary spending in state government by:

- (1) Allowing the past performance of a bidder to be factored into the selection of a contractor, including a review of delays, cost overruns, corrective actions, and responses to notices of deficiencies; and
- (2) Requiring assessments of prior work in the selection of a contractor.

The Department of Education and The Pacific Resource Partnership supported this measure. The Department of Transportation opposed this measure. The State Procurement Office, Department of Accounting and General Services, General Contractors Association of Hawaii, Building Industry Association of Hawaii, and Hawaii Regional Council of Carpenters provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1374, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 812 Finance on H.B. No. 96

The purpose of this measure is to encourage and support the growth of new, small, and diversified farming businesses by creating a tax exemption for the first \$50,000 of income for family farms, family farm communities, and family farm cooperatives.

Hawaii Organic Farming Association and a few individuals provided testimony in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Farm Bureau Federation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of income exempted and inserting an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 96, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 96, H.D. 2.

Signed by all members of the Committee.

SCRep. 813 Finance on H.B. No. 857

The purpose of this measure is to amend the Environmental Response, Energy, and Food Security Tax by reallocating its revenues from the general fund and making the funds available for environmental response, renewable energy, and food security purposes for which they were intended and repealing its sunset provision.

The Office of the Governor; Department of Business, Economic Development, and Tourism; Office of Planning; Department of Agriculture; Department of Health; Hawaii Natural Energy Institute; Hawaii Farm Bureau Federation; Sierra Club, Hawaii Chapter; Ulupono Initiative; The Nature Conservancy; and Blue Planet Foundation provided testimony in support of this measure. The Department of Budget and Finance, Tax Foundation of Hawaii, and Windward Ahupuaa Alliance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of the funds appropriated;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 857, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 857, H.D. 2.

Signed by all members of the Committee.

SCRep. 814 Finance on H.B. No. 710

The purpose of this measure is to facilitate the restoration of Hawaiian fishponds by requiring the Department of Land and Natural Resources, Department of Health, Office of Planning, community organizations, and Native Hawaiian aquaculturalists to collaborate on streamlining the permitting process to restore Hawaiian fishponds. Specifically, this bill requires the implementation of:

- (1) One master conservation district use application process applicable to all Hawaiian fishponds;
- (2) A coastal zone management program consistency statement for Hawaiian fishponds;
- (3) Water quality certification for Hawaiian fishponds;
- (4) A general permit that conforms to the requirements for a Hawaiian fishpond pollution discharge elimination system; and
- (5) Administrative rules.

The Department of Land and Natural Resources, Department of Health, Honua Consulting, and a few individuals testified in support of this measure. The Office of Planning, Loko I'a Consulting, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 710, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 710, H.D. 1.

Signed by all members of the Committee.

SCRep. 815 Finance on H.B. No. 334

The purpose of this measure is to allow for consistent and uniform application of the tax law for taxpayers in the hospitality industry. Specifically, this bill:

- (1) Makes permanent the provision that allows submanagers the same General Excise Tax exemption allowed to managers or board of directors of associations of apartment owners or nonprofit homeowners or community associations for amounts received in reimbursement of sums paid for common expenses; and
- (2) Makes permanent the provision that allows operators and suboperators of hotels a General Excise Tax exemption for amounts received from the operator or owner of the hotel or a timeshare association, as applicable, for disbursement for employee wages, salaries, payroll taxes, insurance premiums, and benefits.

The Hawaii Tourism Authority, Outrigger Hotels Hawaii, Hawaii Association of REALTORS, and Wyndham Vacation Ownership supported this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 334, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 334, H.D. 1.

Signed by all members of the Committee.

SCRep. 816 Finance on H.B. No. 833

The purpose of this measure is to appropriate funds to cover the expected cost of the arbitration settlement for collective bargaining unit (10). Specifically, this measure provides for an emergency appropriation for fiscal biennium 2011-2013 for all collective bargaining cost items for salary increases and other wage related costs in the arbitrated settlement for collective bargaining unit (10).

Pursuant to requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 212 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to address the expected cost of the arbitration settlement for collective bargaining unit (10).

The United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure. The Department of Budget and Finance offered comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting language to reflect the costs of the actual award to collective bargaining unit (10); and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 833, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 833, H.D. 1.

Signed by all members of the Committee.

SCRep. 817 Finance on H.B. No. 1177

The purpose of this measure is to restructure the Hawaii Employer-Union Health Benefits Trust Fund by, among other things:

- (1) Exempting specified procurements of professional and administrative services for the Trust Fund from the procurement code;
- (2) Outlining the duties and liabilities of fiduciaries of the trust;
- (3) Authorizing the Hawaii Employer-Union Health Benefits Trust Fund to retain its own attorneys rather than requiring the Attorney General to provide legal advice and representation;
- (4) Increasing the size of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund from ten to twelve members and adjusting the quorum and voting requirements accordingly;
- (5) Specifying the several collective bargaining units for which Board representation is required;
- (6) Specifying the several public employers both within the executive branch of the State and among the several counties for which Board representation is required;
- (7) Requiring the creation of a sub-board of trustees to manage contributions and benefits if the exclusive representative of a collective bargaining unit negotiates a specific contribution to apply to only that bargaining unit;
- (8) Authorizing the nominating or appointing authority to determine each trustee's term of office;
- (9) Requiring the Chief Justice of the Hawaii Supreme Court to fill vacancies if the appropriate appointing authority fails to do so;
- (10) Clarifying the source of contributions for each different type of beneficiaries; and
- (11) Transferring jurisdiction over the Hawaii Employer-Union Health Benefits Trust Fund from the Department of Budget and Finance to the Department of Human Resources Development.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Budget and Finance opposed this measure. The Department of Human Resources Development and State Procurement Office provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to promote further discussion.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1177, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1177, H.D. 1.

Signed by all members of the Committee.

SCRep. 818 Finance on H.B. No. 1419

The purpose of this measure is to support the development and expansion of the aerospace and related industries by appropriating \$1,163,000, in general funds for the Pacific International Space Center for Exploration Systems (PISCES). This measure also requires PISCES to submit a report to the Legislature, including, among other things, an updated business plan regarding the aerospace technology research and development park project, details on progress made on other specified projects, and the level of private sector investment in aerospace and related industries.

The Lieutenant Governor of Alaska, District 3 Councilmember of the Hawaii County Council, an Astronaut from the Apollo XI Mission, Hawaii Aerospace Advisory Committee, JAMSS America, and many concerned individuals supported this bill. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Making unspecified the appropriation amount;
- (2) Requiring the report to be submitted by September 1, 2013, rather than no later than twenty days prior to the convening of the 2014 Legislative Session;
- (3) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1419, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1419, H.D. 2.

Signed by all members of the Committee.

SCRep. 819 Finance on H.B. No. 799

The purpose of this measure is to improve Hawaii's economy and continue to build the State's local film, television, and digital media industries and encourage their growth by providing enhanced incentives to attract more film, television, and digital media productions to Hawaii. Among other things, this measure amends the Motion Picture, Digital Media, and Film Production Tax Credit by:

- (1) Excluding "news," rather than "daily news," from the definition of "qualified production";
- (2) Clarifying the definition of "qualified production costs" to exclude state and county facility and location fees that are not subject to Hawaii general excise tax or State income tax;
- (3) Extending the sunset date to January 1, 2025; and
- (4) Requiring the Department of Business, Economic Development, and Tourism to submit an annual report to the Legislature, beginning with the 2014 Regular Session, containing a cost-benefit analysis of the entire Motion Picture, Digital Media, and Film Production Income Tax Credit.

The Department of Business, Economic Development, and Tourism; Department of Taxation; Department of Labor and Industrial Relations; SAG-AFTRA; International Alliance of Theatrical Stage Employees Mixed Local 665; American Federation of Musicians Local 677; Hawaii Teamsters Local 996, ILWU Local 142; and an individual testified in support of this measure. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Establishing a workforce development training program that provides wage reimbursement for on-the-job training by entities who receive a Motion Picture, Digital Media, and Film Production Income Tax Credit;
- (2) Allowing the Director of the Department of Labor and Industrial Relations to adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, for the workforce development training program;
- (3) Appropriating an unspecified amount of funds for the implementation of the workforce development training program;
- (4) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 799, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 799, H.D. 3.

Signed by all members of the Committee.

SCRep. 820 Finance on H.B. No. 1093

The purpose of this measure is to encourage transparency among organizations that affect the rights of Native Hawaiians by requiring the Department of Land and Natural Resources, the Department of Hawaiian Home Lands, and the Office of Hawaiian Affairs to submit annual reports detailing all departmental contracts for services.

The Department of Land and Natural Resources, Department of Hawaiian Home Lands, and Office of Hawaiian Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1093, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1093, H.D. 1.

Signed by all members of the Committee.

SCRep. 821 Finance on H.B. No. 484

The purpose of this measure is to protect taro growing lands and structures by designating such lands as special agricultural lands restricted for specific uses.

The Office of Hawaiian Affairs; Taro Security and Purity Task Force; Kipahulu Ohana, Inc.; Na Kupuna Moku O Keawe; Hawaii Island School Garden Network; Environmental Caucus of the Democratic Party of Hawaii; Na Moku Aupuni O Koolau Hui; Hawaii SEED; Hookipa Network – Kauai; and numerous individuals testified in support of this measure. The Department of Land and Natural Resources and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 484, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 822 Finance on H.B. No. 106

The purpose of this measure is to provide a detailed permitting process for geothermal resources development that, among other things, explicitly authorizes the counties to establish more stringent ordinances on geothermal resources development.

Puna Pono Alliance and numerous individuals provided testimony in support of this measure. Indigenous Consultants, LLC and a few individuals provided testimony in opposition to this measure. The Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; and Puna Geothermal Venture provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 106, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 823 Finance on H.B. No. 144

The purpose of this measure is to clarify professional employer organization (PEO) responsibilities and related matters by, among other things:

- (1) Adding definitions and registration and fee requirements to Chapter 373K, Hawaii Revised Statutes (HRS), which relates to PEOs;
- (2) Requiring notification to the Department of Taxation of PEO violations for general excise tax exemption purposes;
- (3) Allowing PEOs to be successor employers to client companies;
- (4) Establishing a sliding scale bond requirement for PEOs based upon annual payrolls; and
- (5) Repealing Chapter 373L, HRS, which relates to PEOs.

Hawaii Human Resources, Inc.; Hawaii Association of Professional Employer Organizations; Talent HR Solutions; Maui Chamber of Commerce; and Exceptional, Inc., dba Employers Options supported this measure. The Department of Labor and Industrial Relations, Department of Taxation, Tax Foundation of Hawaii, and ProService Hawaii provided comments

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 144, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 824 Finance on H.B. No. 1227

The purpose of this measure is to promote the restoration of the grounds of Iolani Palace by appropriating funds to be expended by the Department of Land and Natural Resources to complete Phase I and to implement and complete Phase II of the Iolani Palace grounds master plan.

The Executive Director of Iolani Palace provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1227, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 825 Finance on H.B. No. 1441

The purpose of this measure is to protect and promote Hawaiian culture by establishing a museum of music, dance, and cultural arts design committee purposed with preparing plans and designs for the construction of a museum of Hawaiian music, dance, and cultural arts.

An individual testified in support of this measure. The Hawaii Tourism Authority and the State Foundation on Culture and the Arts provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1441 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 826 Finance on H.B. No. 838

The purpose of this measure is to update mortgage loan origination regulatory provisions by:

- (1) Clarifying licensure requirements;
- (2) Adjusting license application and renewal fees for mortgage loan originators to unspecified amounts;
- (3) Adding a new fee schedule for licensing of sole proprietor mortgage loan originators;
- (4) Adding a new processing fee for each control person of a mortgage loan originator company; and
- (5) Establishing fees of unspecified amounts for mortgage servicer companies that conduct mortgage loan origination activities.

The Department of Commerce and Consumer Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 838, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 827 Finance on H.B. No. 839

The purpose of this measure is to provide meaningful oversight of mortgage services by:

- (1) Authorizing the Commissioner of Financial Institutions to conduct examinations and investigations; and
- (2) Adjusting the fees for mortgage service licensees registering through the Nationwide Mortgage Licensing System and Registry.

The Department of Commerce and Consumer Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 839, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 828 Judiciary on H.B. No. 713

The purpose of this measure is to protect the privacy of employees and applicants by prohibiting employers, except for law enforcement agencies, from requiring or requesting an employee or applicant to disclose the employee or applicant's user name or password for personal social media accounts, access such account with the employer present, or divulge such account.

The American Civil Liberties Union of Hawaii, Democratic Party of Hawaii Labor Caucus, and numerous concerned individuals testified in support of this measure. The Department of Labor and Industrial Relations, The Chamber of Commerce of Hawaii, State Privacy and Security Coalition, American Council of Life Insurers, and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Making the Civil Rights Commission the enforcing agency for the prohibition contained in this bill;
- (2) Specifying that employers are prohibited from requiring, requesting, suggesting, or causing employees or potential employees to disclose specified information regarding their personal accounts or access their personal social media account in the presence of the employer or divulge a personal social media account;
- (3) Removing the language that would have allowed law enforcement to request or require an employee or potential employee to access a personal account in the presence of the law enforcement agency employer, or to divulge any personal account;
- (4) Clarifying that this measure will not be construed to conflict with federal law;
- (5) Changing the effective date to January 1, 2100, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 713, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 713, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Lee and Wooley.

SCRep. 829 Judiciary on H.B. No. 944

The purpose of this measure is to protect the public by updating Hawaii's controlled substances schedules and allowing the Department of Public Safety to identify and track the abuse of certain new non-controlled substances. Specifically, this measure:

- (1) Updates Hawaii's Uniform Controlled Substances Act to make it consistent with amendments made to federal law on controlled substances;
- (2) Adds new controlled substances to the list of stimulants classified as Schedule I controlled substances and anabolic steroids classified as Schedule III controlled substances; and
- (3) Changes the penalty provision related to pseudoephedrine by stipulating that only persons who knowingly purchase, receive, or otherwise acquire products containing more than 3.6 grams per day or more than nine grams per thirty-day period of pseudoephedrine without a valid prescription shall be guilty of a Class C felony.

The Department of Public Safety and Honolulu Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 944 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Carroll.

SCRep. 830 Judiciary on H.B. No. 907

The purpose of this measure is to ensure that immunizations required, and the manner and frequency of their administration, conform to nationally recognized standard medical practices. Specifically, this measure authorizes the Department of Health to adopt, amend, or repeal a list of specific vaccines and to adopt, amend, or repeal, as rules, the immunization recommendations of the United States Department of Health and Human Services, Advisory Committee on Immunization Practices, as they apply to the list of specific vaccines.

The Department of Health, Kaiser Permanente Hawaii, Walgreen Co., Hawaii Medical Association, National Council of Asian Pacific Islander Physicians, Hawaii Immunization Coalition, Hawaii Association of Osteopathic Physicians and Surgeons, and two individuals testified in support of this bill. Two concerned individuals testified in opposition to this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Inserting a purpose section;
- (2) Deleting the requirement that the Department of Health notify the public of the adoption, amendment, or repeal of the immunization

recommendations of the United States Department of Health and Human Services, Advisory Committee on Immunization Practices, by means of publication in a newspaper of general circulation; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 907, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 907, H.D. 1.

Signed by all members of the Committee except Representative Carroll.

SCRep. 831 Consumer Protection & Commerce on H.B. No. 842

The purpose of this measure is to provide an administrative framework and oversight for dental service corporations by establishing requirements including:

- (1) Licensing and regulatory requirements;
- (2) Financial and solvency requirements;
- (3) Reporting and audit requirements; and
- (4) Insurance coverage, benefits disclosure, and enrollment requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Dental Association testified in opposition of this measure.

Your Committee has amended this measure by:

- (1) Preventing unlicensed persons from providing dental care services under the chapter established by this measure by restricting the definition of "provider" to include only those persons licensed to practice dentistry as defined in section 448-1, Hawaii Revised Statutes;
- (2) Requiring, rather than permitting, dental service corporations to adopt provisions for the coordination of benefits plans for persons covered by two or more group health insurance or health care plans, to prevent situations of overinsurance and provide for the orderly payment of claims;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 842, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 842, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 832 Consumer Protection & Commerce on H.B. No. 602

The purpose of this measure is to work toward ensuring that all motor vehicles in Hawaii are registered and insured by:

- (1) Prohibiting a towing company from releasing a towed motor vehicle unless the party recovering the motor vehicle provides proof that the motor vehicle is registered and insured; and
- (2) Requiring county ordinances that regulate towing operations to include the above-mentioned prohibition.

State Farm supported this measure. Several individuals opposed this measure.

Your Committee notes that the measure has been amended by, among other changes, removing the proof of insurance requirement. Your Committee notes that the problem with fraudulent or expired insurance policies is rampant, but concerns exist as to whether or not requiring tow yard operators to check for motor vehicle insurance at the time of release may have unintended negative consequences. Subsequently, your Committee wishes to highlight that the Legislature has convened an Uninsured Motorist Task Force to address these issues, the results and suggestions of which are encompassed in Senate Bill 495 (2013), which may ultimately be a better vehicle for addressing the above-mentioned concerns.

Your Committee has amended this measure by:

- (1) Deleting the requirement that a party recovering a motor vehicle provide proof that the motor vehicle is insured before the towing company releases the towed motor vehicle to the party;
- (2) Changing its effective date to July 1, 2112, to facilitate further discussion; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 602, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 602, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 833 Consumer Protection & Commerce on H.B. No. 396

The purpose of this measure is to promote the health and safety of children by:

- (1) Prohibiting the manufacture, sale, and distribution of food and drink containers containing bisphenol A and intended for use by young children; and
- (2) Requiring manufacturers to choose safe alternatives to bisphenol A.

The Department of Health; Sierra Club, Hawaii Chapter; and several individuals supported this measure.

Upon consideration, your Committee has amended this measure by:

- (1) Deleting provisions requiring manufacturers to use the least toxic alternative when replacing bisphenol A in the manufacture of child care articles;
- (2) Changing its effective date to July 1, 2112, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 396, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 396, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 834 Consumer Protection & Commerce on H.B. No. 848

The purpose of this measure is to update the insurance code by:

- (1) Amending the definition of "small business" for consistency with the federal Health Insurance Portability and Accountability Act of 1996 and Patient Protection and Affordable Care Act; and
- (2) Applying the statutory requirements for the licensing of insurance producers to health maintenance organizations and mutual benefit societies, so that those entities can participate in the Hawaii Health Connector established pursuant to the federal Patient Protection and Affordable Care Act.

The Department of Commerce and Consumer Affairs, Hawaii Health Connector, Hawaii Medical Service Association, and Hawaii Primary Care Association testified in support of this measure.

Your Committee notes that in amending this measure, the definition of "small employer" was changed from employers employing no more than one hundred employees to employers employing no more than fifty employees. Your Committee wishes to clarify that the intent of the amendment is to address, within the scope of the Affordable Care Act to be adopted by the states in 2014, the implementation impacts that many of the Affordable Care Act's expanded coverage mandates may have on small businesses.

Your Committee has amended this measure by specifying that the definition of "small employer" applies to employers that employ no more than fifty employees rather than no more than one hundred employees.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 848, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 848, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 835 Consumer Protection & Commerce on H.B. No. 79

The purpose of this measure is to modify the graduate-level education program requirement for advanced practice registered nurse recognition.

Specifically, this measure changes the requirement from a program leading to a master's degree in one of four specified roles to instead a graduate program in preparation of one of four recognized, but unspecified, roles.

Testimony in support of the measure was received from the Board of Nursing; the School of Nursing and Dental Hygiene of the University of

Hawaii at Manoa; the School of Nursing of the University of Hawaii at Hilo; the Queen's Health Systems; Hawaii Pacific Health; Healthcare Association of Hawaii; the Hawaii State Center for Nursing; the American Organization of Nurse Executives, Hawaii Chapter; Prime Care Services Hawaii, Incorporated; the American Association of Nurse Practitioners; the Hawaii Association of Professional Nurses; and several individuals.

Your Committee finds that under present law, nurses can be recognized as advanced practice registered nurses only if they have a master's degree in nursing. This restriction evidently excludes nurses who have a doctor of nursing practice and other nationally recognized clinical doctorates in nursing. By modifying the recognition requirement, this measure will conform the educational requirements for advanced practice registered nurses to the consensus model of the National Council of State Boards of Nursing.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 79, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 836 Consumer Protection & Commerce on H.B. No. 398

The purpose of this measure is to require child care facilities to develop, implement, and maintain policies to prevent sudden unexpected infant deaths and sudden infant death syndrome.

Your Committee received testimony in support of this measure from Child and Family Service, March of Dimes, and three individuals. The Department of Health and the Department of Human Services submitted comments on this measure.

Your Committee finds that Hawaii is one of only seven states that do not regulate sleep positions in child care centers or family child care homes. Requiring child care facilities that care for children under the age of one year to implement safe sleep policies will help to prevent infant deaths caused by unsafe sleeping environments and positions.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 398, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 837 Consumer Protection & Commerce on H.B. No. 810

The purpose of this measure is to require the Public Utilities Commission to consider the value of incorporating advanced grid modernization technology into Hawaii's electrical system.

Your Committee received testimony in support of this measure from the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; Public Utilities Commission; Hawaiian Electric Company, Inc.; Hawaii Solar Energy Association; Blue Planet Foundation; Sierra Club, Hawaii Chapter; and one concerned individual.

Your Committee finds that advanced grid modernization technology has the potential to increase the reliability and efficiency of Hawaii's electric system as increasing numbers of renewable energy sources begin to connect to the system. Your Committee believes that the Public Utilities Commission should consider the use of advanced grid modernization technology as a means to improve the generation, transmission, and distribution capacity of Hawaii's electricity grid. Accordingly, this measure will clarify the State's policy with respect to electrical grid improvements and give guidance to the Public Utilities Commission concerning its role in implementing advanced grid modernization technologies in the State.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 810, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 810, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 838 Consumer Protection & Commerce on H.B. No. 1103

The purpose of this measure is to require an assessment and collection in full of impact fees prior to the issuance of a water meter.

Your Committee received testimony in support of this measure from the Department of Water of the County of Kauai and the Board of Water Supply of the City and County of Honolulu.

Your Committee finds that state law currently requires the assessment and collection of impact fees prior to or upon the issuance of a grading or building permit by a county. Your Committee believes that by similarly allowing impact fees to be assessed and collected prior to or upon issuance of a water meter, this measure affords the counties greater flexibility in planning and imposing fees and aligns state law with the current rules and procedures of the county water boards.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1103, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 839 Consumer Protection & Commerce on H.B. No. 370

The purpose of this measure to repeal the requirement that a promoter confirm that an ambulance with paramedics will be present at a mixed martial arts event.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that some mixed martial arts promoters, particularly those on the neighbor islands, cannot comply with the ambulance requirement due to some counties not having private ambulances and prohibitions on private entities from hiring county ambulances. In addition, the only private ambulance company on Oahu, American Medical Response, will not transport an injured contestant to a hospital. Your Committee further finds that removing the requirement that an ambulance and paramedics be present at a mixed martial arts event will not significantly reduce the safety of contestants in light of the current requirement that two licensed physicians be present at every event.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 370 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 840 Consumer Protection & Commerce on H.B. No. 529

The purpose of this measure is to require all operators of assisted living facilities, community care foster family homes, adult residential care homes, expanded adult residential care homes, adult foster homes, and developmental disabilities domiciliary homes to maintain a sufficient amount of liability insurance for their operations.

The Adult Foster Home Association -- Big Island, Alliance of Residential Care Administrators, and numerous concerned individuals testified in support of this measure. The State Council on Developmental Disabilities and several concerned individuals supported the intent of this measure. The Department of Human Services provided comments.

Your Committee finds that Act 266, Session Laws of Hawaii 2012, required some, but not all, residential care homes to maintain liability insurance. By requiring all care home operators to maintain sufficient liability insurance, this measure will protect both the operator and care home residents in the event of accidents or other adverse events that may occur in the delivery of care.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 529, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 841 Consumer Protection & Commerce on H.B. No. 65

The purpose of this measure is to allow, among other things, prescription drug benefits plan beneficiaries to opt out of a requirement to purchase prescription drugs from a mail-order pharmacy.

Walgreens Co., the Hawaii Medical Association, Hawaii Food Industry Association, Hawaii Community Pharmacists Association, Hoola Lahui Hawaii, Molokai Drugs, and a few individuals provided testimony in support of this measure. The Department of Budget and Finance, CVS Caremark Corporation, Express Scripts, Hawaii Medical Service Association, and Kaiser Permanente Hawaii provided testimony in opposition to this measure. One concerned individual provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2112, for the purpose of facilitating further discussion.

Your Committee notes that it is concerned that this measure has not been referred to your Committee on Finance as this measure may have fiscal implications.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 65, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 65, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Evans, Har, Lee, McDermott and Thielen.

SCRep. 842 Consumer Protection & Commerce on H.B. No. 877

The purpose of this measure is to improve the effectiveness of the Hawaii Health Connector Board of Directors (Board) by authorizing the executive department directors who are ex-officio voting members of the Board to select designees to serve on behalf of the directors at specified board meetings.

The Department of Health, Department of Labor and Industrial Relations, and Department of Human Services testified in support of this measure. The Hawaii Primary Care Association testified in support of the intent of this measure.

Your Committee has amended this measure by specifying that executive department directors who are ex-officio voting members of the Board may each select a designee from their respective departments for all Hawaii Health Connector meetings.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 877, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 877, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 843 Consumer Protection & Commerce on H.B. No. 656

The purpose of this measure is to allow open and robust collaboration on uniform administrative standards and procedures to help enhance the quality of health care in Hawaii.

The Healthcare Association of Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support of the intent of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the provisions that allows the cooperation, collaboration, or agreement among certain insurers, third-party administrators, health care providers or facilities, managed care plans, health care associations, or government agencies to develop and adopt uniform administrative procedures;
- (2) Establishing the temporary Health Care Transformation Program within the Office of the Governor to identify the issues that need to be addressed to achieve statewide healthcare transformation, including the development of a strategy, framework, timeline, proposed legislation, and rules;
- (3) Requiring the Governor to submit a progress report on the status of the health care transformation program no later than 20 days prior to the convening of the Regular Session of 2014;
- (4) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 656, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 656, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 844 Consumer Protection & Commerce on H.B. No. 62

The purpose of this measure is to prohibit pharmacy benefit management companies from acting in a manner that would restrict a patient's choice of pharmacies from which to receive prescription drug benefits.

The Hawaii Food Industry Association, Hawaii Community Pharmacists Association, Hoola Lahui Hawaii, and an individual provided testimony in support of this measure. Walgreen Co. provided testimony in support of the intent of this measure. CVS Caremark Corporation, Hawaii Medical Service Association, Express Scripts, and Ohana Health Plan provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs, Office of Consumer Protection provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2112, for the purpose of facilitating further discussion.

Your Committee notes that there are concerns from the Department of Commerce and Consumer Affairs that:

- (1) Dissemination of protected health information without the consent of the patient may already be subject to the requirements of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA);
- (2) Federal law may preempt state regulation of employee benefit plans and practices under the Employee Retirement Income Security Act of 1974 (ERISA); and
- (3) Further studies may be necessary to determine whether the practices are already prohibited by HIPAA and ERISA.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 62, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 62, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Evans, Har, Lee, McDermott and Thielen.

SCRep. 845 Consumer Protection & Commerce on H.B. No. 1098

The purpose of this measure is to request the Office of the Auditor to conduct a sunrise analysis of the regulation of health educators.

Your Committee received testimony in support of this measure from the National Commission for Health Education Credentialing, Inc., Society

for Public Health Education, and four individuals.

Your Committee finds that health educators work with hospital patients, children, and community residents at all levels of health care. However, health educators are not regulated by the State. Your Committee believes that requiring health educators to meet certain educational standards and competency requirements would ensure the safety and quality of the health education that they provide to the public.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1098 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 846 Consumer Protection & Commerce on H.B. No. 654

The purpose of this measure is to support effective workforce planning and policymaking in the health care industry, including improved data collection to optimize the functions of the Hawaii State Center for Nursing, by requiring:

- (1) The Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division to:
 - (A) Collaborate with the Hawaii State Center for Nursing to enable the Hawaii State Center for Nursing to obtain nursing-related data, including workforce data of nurses licensed in the State; and
 - (B) Provide nurse licensee contact information, including e-mail addresses, to the Center for Nursing, through a Memorandum of Understanding; and
- (2) Each applicant, as part of the license renewal process for nursing, to complete a survey developed by the Hawaii State Center for Nursing.

The Office of Information Practices, University of Hawaii School of Nursing and Dental Hygiene, The Queen's Health Systems, Hawaii Pacific Health, Healthcare Association of Hawaii, Hawaii Association of Professional Nurses, American Academy of Nurse Practitioners and several individuals testified in support of this measure. The Hawaii State Board of Nursing and Hawaii State Center for Nursing testified in support of this measure and provided amendments. The Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs offered comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that the rules to be adopted by the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, in collaboration with the Center for Nursing to effectuate the purposes of this Act, be subject to the Uniform Information Practices Act, Chapter 92F, Hawaii Revised Statutes; and
- (2) Clarifying that the survey, provided to nurses as part of the nursing license renewal process, be a request rather than a mandate.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 654, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 654, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 847 Consumer Protection & Commerce on H.B. No. 1405

The purpose of this measure is to increase transparency in power purchase contracts for renewable energy by requiring the Public Utilities Commission to include a summary of power purchase agreements in effect during the applicable fiscal year in its annual report to the Governor.

The Public Utilities Commission provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism and Blue Planet Foundation provided testimony in support of this measure with amendments.

Your Committee has amended this measure by:

- (1) Requiring that the summary of power purchase agreements in effect during the fiscal year include pricing;
- (2) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1405, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1405, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Evans and Har.

SCRep. 848 Consumer Protection & Commerce on H.B. No. 1189

The purpose of this measure is to prohibit excessively loud moped mufflers.

More specifically, this measure prohibits the modification of the exhaust system of a moped manufactured after December 31, 2013, in a manner that amplifies the noise emitted from the moped above that emitted by the original moped muffler, as indicated on the label attached to the moped in accordance with federal regulations.

The Department of Transportation and two concerned individuals submitted testimony in support of the measure. One concerned individual submitted comments on the measure.

Your Committee finds that moped mufflers that have been modified to emit more noise than the original muffler are a nuisance to residents and visitors to the State. Federal regulations require mopeds to bear a label that indicates the level of noise emitted from the muffler. This measure will prohibit modifications to moped exhaust systems that create excessive noise and allow inspectors to determine the legality of a moped muffler by comparing it to the federally required label on the moped.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1189, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 849 Consumer Protection & Commerce on H.B. No. 846

The purpose of this measure is to provide better regulatory oversight for owner-builders by:

- (1) Limiting the exemption to residential or farm construction;
- (2) Clarifying owner-builder responsibilities for compliance with construction and labor law;
- (3) Imposing a filing fee for owner-builder permits; and
- (4) Adding requirements for contractor disclosures to owner-builders.

The Department of Commerce and Consumer Affairs; the Contractors License Board; the Pacific Resource Partnership; Building Industry Association of Hawaii; Complete Construction Services, Corp.; Subcontractors Association of Hawaii; Hawaii Island Contractors' Association; BKA Builders, Inc.; Loeffler Construction; Alan Shintani, Inc.; Honua Landscaping, Inc.; and two individuals testified in support of this measure. General Contractors Association of Hawaii supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Removing provisions implementing a filing fee to fund the processing of applications and the field investigation process;
- (2) Requiring disclosures by licensed contractors at the time a homeowner signs a contract regardless of the homeowner's owner-builder status; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 846, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 846, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 850 Consumer Protection & Commerce on H.B. No. 815

The purpose of this measure is to require the Public Utilities Commission and the Division of Consumer Advocacy to consider the ownership structure and interests of electric cooperatives in exercising their regulatory functions and to authorize the Public Utilities Commission to waive or exempt electric cooperatives operating in the State from provisions of chapter 269, Hawaii Revised Statutes, and other regulatory requirements.

The Public Utilities Commission, Department of Commerce and Consumer Affairs Division of Consumer Advocacy, seven individual Councilmembers of the Kaua'i County Council, and Kauai Island Utility Cooperative provided testimony in support of this measure. The Blue Planet Foundation and an individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Clarifying that its purpose is not to exempt electric cooperatives from statutory statewide clean energy policy mandates such as the State's renewable portfolio standards and energy efficiency portfolio standards; and
- (2) Specifying that the Public Utilities Commission may waive or exempt an electric cooperative from the requirements of any applicable franchise, charter, decision, or rule upon a determination that the requirement should not be applied.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 815, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 815, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans and Har.

SCRep. 851 Consumer Protection & Commerce on H.B. No. 635

The purpose of this measure is to expedite the approval process for broadband-related permits while maintaining utility pole public safety standards by requiring:

- (1) The State and counties to approve, approve with modification, or disapprove all broadband-related permits within 60 business days of submission of a permit application and fee;
- (2) That the permit application will be deemed as approved if no action is taken by the permitting authority within 60 business days;
- (3) The Public Utilities Commission to use reasonable best efforts to comply with safety and engineering standards for permitted projects; and
- (4) That the permit approval requirements shall not affect the provisions of Act 151, Session Laws of Hawaii 2011, which establishes utility pole public safety standards.

The Department of Transportation, Office of Information Management and Technology, Department of Commerce and Consumer Affairs, Oceanic Time Warner Cable, Hawaiian Electric Company, Hawaiian Telecom, tw telecom, and an individual testified in support of this measure. The Department of Land and Natural Resources testified in opposition to this measure. The Department of Business, Economic Development and Tourism, and Public Utilities Commission provided comments on this measure

Your Committee has amended this measure by:

- (1) Specifying that the language that exempts the State, counties, and public utilities from prosecution for actions related to approval and execution of permits applies only to the actions authorized by this measure;
- (2) Adding language to explicitly state that the Federal Communications Commission and Public Utilities Commission have the authority to regulate utility pole weight capacity;
- (3) Clarifying that the undersea cable included in the definition of "broadband-related permit" is an undersea communications cable;
- (4) Specifying that the State shall have either one hundred twenty or one hundred eighty days to approve, approve with modification, or disapprove a conservation district use application for broadband facilities depending on the technical complexity of the broadband facility;
- (5) Specifying that an applicant shall use reasonable best efforts to comply with all applicable safety and engineering broadband related requirements and that a public utility shall have an unqualified duty to comply;
- (6) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 635, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 635, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.
(Representative Thielen voted no.)

SCRep. 852 Consumer Protection & Commerce on H.B. No. 1314

The purpose of this measure is to establish a class liquor license for distillery pubs.

Island Distillers supported this measure with amendments. The City and County of Honolulu Liquor Commission and the Hawaii Liquor Wholesalers Association commented on this measure.

Upon consideration, your Committee has amended this measure by:

- (1) Inserting provisions contained in H.B. No. 1126, H.D. 1 (2013) that:
 - (A) Authorize the Department of Agriculture to require the word "brand" to be stated in direct conjunction with the word "Hawaii" or "Hawaiian" if the impression is that the beer was produced in the place or region other than that of actual production; and
 - (B) Require the name of the beer bottler and the place where the beer was bottled or canned, on labels of bottled or canned beer

sold or distributed in the State that bear any Hawaiian brand name or adjective, or Hawaii word or statement, design, or device;

- (2) Including a severability clause in the measure;
- (3) Changing its effective date to July 1, 2112, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1314, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1314, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 853 Consumer Protection & Commerce on H.B. No. 672

The purpose of this measure is to reduce the number of minors and youth who smoke, by:

- (1) Restricting the placement of cigarettes and tobacco products at certain locations where such products are sold;
- (2) Defining "electronic smoking device"; and
- (3) Prohibiting the sale of electronic smoking devices to minors under the age of eighteen.

The Coalition for a Tobacco-Free Hawaii, Hawaii Pacific American Cancer Society Cancer Action Network, and numerous individuals testified in support of this measure. The Department of Health testified in support of the intent of this measure. The Department of the Attorney General, Hawaii Cigar Association, Kauai Cigar Company, Volcano Fine Electronic Cigarettes, and numerous individuals testified in opposition to this measure. One individual provided comments.

During the hearing your Committee received testimony in opposition from the Department of the Attorney General concerning language which prohibited the placement of cigarettes and tobacco products at certain locations where such products are sold. The Department of the Attorney General testified that the inclusion of such language would negate the ability of the tobacco enforcement division to conduct investigations and thoroughly assess whether or not cigarette vendors have fully complied with the cigarette stamp and other laws and as such this provision while well intended may create an opportunity for more egregious behaviors by bad actors. Therefore, your Committee has amended this measure by:

- (1) Deleting the language that restricts the placement of cigarettes and tobacco products at certain locations where such products are sold;
- (2) Specifying the prohibiting the sale or furnishing of tobacco products or vapor products to minors and the purchase of those products by minors;
- (3) Including both tobacco products and vapor products in the notice of prohibited sale to minors required at or near the point of sale;
- (4) Deleting the definitions of "electronic smoking device" and "tobacco";
- (5) Adding definitions of "tobacco product" and "vapor product"; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 672, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 672, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Evans, Har, Lee, McDermott and Thielen.

SCRep. 854 Consumer Protection & Commerce on H.B. No. 1381

The purpose of this measure is to assist Hawaii's service men and women, and their spouses, in obtaining an occupational license in this State. Specifically, this measure allows professional and vocational licensing authorities to license military veterans and the spouses of service members by endorsement or reciprocity provided that:

- (1) The veteran or the nonresident spouse has obtained the equivalent of or exceeded the requirements of the licensing authority of this State; and
- (2) The nonresident spouse is married to a military member in good standing who is stationed in Hawaii for at least one year; or
- (3) The veteran been given an honorable discharge or general discharge from active duty within two years of applying for licensure and provides sufficient documentation of discharge.

The Chamber of Commerce of Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs, American Council of Engineering Companies of Hawaii, Hawaii Association of Public Accountants, and Niwao & Roberts, CPAs testified in opposition to this

measure. The United States Department of Defense, Hawaii Dental Association, and American Institute of Architects provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the provisions relating to the licensure by endorsement or reciprocity of veterans shall not apply to licensure by a licensing authority that is subject to specific provisions regulating licensure by endorsement or reciprocity pursuant to another chapter of the Hawaii Revised Statutes; and
- (2) Changing the effective date to July 1, 2012, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1381, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1381, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Evans, Har, Lee, McDermott and Thielen.

SCRep. 855 Consumer Protection & Commerce on H.B. No. 847

The purpose of this measure is to give the Hawaii Medical Board (Board) new disciplinary authority by authorizing the Board to summarily suspend any license to protect the public from immediate or unreasonable threats, fraud, or misrepresentation and to order licensees to submit to mental and physical examinations when the board has reasonable cause to believe a licensee is unable to practice medicine.

The Department of Commerce and Consumer Affairs and Hawaii Medical Service Association testified in support of this measure. The Hawaii Medical Association testified in support of the intent of this measure. The Hawaii Medical Board provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting language that allows the Board's delegate to summarily suspend any license to protect the public from immediate or unreasonable threats, or fraud;
- (2) Deleting language that allows the Board to summarily suspend any license to protect the public from misrepresentation;
- (3) Clarifying that the authority to summarily suspend any license is for fraud that jeopardizes or endangers the health or safety of patients as determined by the professional standard of care;
- (4) Specifying that an order summarily suspending a license shall remain in effect until the effective date of a final decision and order issued by the Board or the effective date of an order issued by the Board terminating the summary suspension following a hearing, whichever occurs first, but in either case shall not exceed thirty business days;
- (5) Specifying that the Board shall conduct a hearing for disciplinary action against a licensee whose license has been summarily suspended within ten business days from the effective date of the order of summary suspension;
- (6) Adding language that specifies certain immunities for a person licensed by the Board who provides certain information to the Board; and
- (7) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 847, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 847, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Evans, Har and Lee.

SCRep. 856 Finance on H.B. No. 1028

The purpose of this measure is to assist Hawaii's workers. Specifically, this bill:

- (1) Extends the time period during which an individual's maximum weekly unemployment benefit amount will be calculated at 75 percent of the average weekly wage from December 31, 2012, to December 31, 2013;
- (2) Retains, for calendar year 2013, the employer contribution rate for unemployment benefits at schedule F; and
- (3) Increases the hourly minimum wage of workers to \$7.75 beginning on January 1, 2014; \$8.25 beginning on January 1, 2015; and \$8.75 beginning on January 1, 2016.

The United Public Workers, AFSCME, Local 646, AFL-CIO; American Income Life Insurance Company; Hawaii Catholic Conference; ILWU Local 142; Hawaii Restaurant Association; and a concerned individual supported this measure. The National Federation of Independent Business Hawai'i, TS Restaurants, Hawaiian Chip Company, and The Chamber of Commerce of Hawaii opposed this measure. The Department of Labor and Industrial Relations; Hawaii State AFL-CIO; Hawai'i Alliance for Retired Americans; Retail Merchants of Hawaii; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided comments.

Your Committee has amended this measure by:

- (1) Extending the 2013 first quarter deadline for payment of employer contributions for unemployment benefits from April 30, 2013, to May 31, 2013;
- (2) Increasing the hourly minimum wage to \$9.00 beginning January 1, 2017; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1028, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1028, H.D. 2.

Signed by all members of the Committee.

SCRep. 857 Finance on H.B. No. 743

The purpose of this measure is to enhance a public employee's ability to be actively engaged in the education of the public employee's child.

Specifically, this measure:

- (1) Authorizes employees to take time off to attend a school-wide event directly related to a child's educational, cultural, or social development;
- (2) Increases the eligible leave time from two to three hours; and
- (3) Increases the number of events an employee may attend in a calendar year from two to three.

Your Committee received testimony in support of this measure from the United Public Workers, AFSCME Local 646, AFL-CIO and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. The Department of Human Resources Development submitted testimony in opposition to this measure.

Your Committee finds that students with families that participate in and support the students' educational activities tend to perform better in school. Increasing the number of events that a public employee may use paid leave to attend and increasing the duration of the leave will encourage parent participation in school activities and improve the academic performance of students.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 743, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 743, H.D. 2.

Signed by all members of the Committee.

SCRep. 858 Finance on H.B. No. 634

The purpose of this measure is to protect employment levels in the State by requiring, where a divestiture of an establishment employing 100 or more employees occurs, the successor employer to:

- (1) Hire all incumbent non-supervisory and non-confidential employees, with specified exceptions; and
- (2) Not require employment applications from incumbent employees unless existing employee files are incomplete.

This measure also allows successor employers to conduct pre-hire screenings of incumbent employees that are not prohibited by law.

The International Longshore and Warehouse Union Local 142, Hawaii State AFL-CIO, and two concerned individuals supported this bill. The Hawaii Restaurant Association; Retail Merchants of Hawaii; Hawaii Credit Union League; Outrigger Hotels Hawaii; The Chamber of Commerce of Hawaii; Maui Chamber of Commerce; Envisions Entertainment & Productions, Inc.; Tesoro Hawaii, LLC; and two individuals opposed this measure. The Department of Labor and Industrial Relations provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 634, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 634, H.D. 1.

Signed by all members of the Committee.

SCRep. 859 Finance on H.B. No. 546

The purpose of this measure is to convene a task force in the Department of Budget and Finance to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund.

More specifically, the task force is tasked with examining:

- (1) The current and projected unfunded actuarial accrued liability of the trust fund;
- (2) The availability of medical benefits plans other than plans that pay or reimburse medical services providers under a fee-for-service model;
- (3) The costs and benefits of alternative medical benefits plans in relation to the medical benefits plans currently offered by the trust fund;
- (4) The costs and process of transitioning from the current medical benefits plans to an alternative plan, including recommended legislation; and
- (5) Any other relevant matters.

The United Public Workers, AFSCME, Local 646, AFL-CIO, and the University of Hawaii Professional Assembly submitted testimony in support of the measure.

The Department of Budget and Finance and the Department of Human Resources of the City and County of Honolulu submitted comments.

Your Committee finds that the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund is substantial and requires collaboration and ingenuity to resolve. This measure will establish and empower a task force to address this critical issue.

Your Committee has amended this measure by:

- (1) Making an unspecified appropriation from the general fund to support the work of the task force, including necessary travel expenses of neighbor island members and potential consulting fees; and
- (2) Replacing the two members to be chosen by the Governor with one member from the Hawaii Council of Mayors and one member from the Hawaii State Association of Counties.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 546, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 546, H.D. 2.

Signed by all members of the Committee.

SCRep. 860 Finance on H.B. No. 151

The purpose of this measure is to ensure that labor complaints are resolved in a timely manner by setting a time frame within which the Hawaii Labor Relations Board shall resolve complaints.

The Hawaii State Teachers Association, IMUAlliance, and numerous concerned individuals supported this measure. The Office of Collective Bargaining; Department of Budget and Finance; Department of Education; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposed this measure. The Hawaii Labor Relations Board provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 151, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 861 Finance on H.B. No. 692

The purpose of this measure is to authorize the issuance of harbor revenue bonds to finance certain harbor capital improvement projects.

The General Contractors Association of Hawaii, International Longshore and Warehouse Union Local 142, Land Use Research Foundation, and one concerned individual submitted testimony in support of the measure. The Department of Transportation submitted comments.

Your Committee finds that this measure will fund critical harbor improvement projects that make harbors throughout the State safer and more functional.

Your Committee has amended this measure by:

- (1) Changing all of the appropriations to unspecified amounts to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 692, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 692, H.D. 2.

Signed by all members of the Committee.

SCRep. 862 Finance on H.B. No. 687

The purpose of this measure is to address concerns with emergencies involving electric vehicles.

Specifically, this measure:

- (1) Requires the Department of Transportation (Department) to study the dangers relating to emergencies involving electric vehicles;
- (2) Requires the Department to develop a training program for employees responding to emergencies involving electric vehicles;
- (3) Requires the Department to submit a report to the Legislature; and
- (4) Appropriates funds to the Department to conduct the study and develop the training program.

Your Committee received testimony in support of this measure from the Honolulu Police Department; the State Fire Council; the Kauai Fire Department; the County of Maui, Department of Fire & Public Safety; and the Hawaii Automobile Dealers Association. The Department of Transportation submitted testimony in opposition to this measure.

Your Committee finds that electric vehicles present specialized challenges for emergency responders and require specific procedures due to their high voltage use. Your Committee further finds that electric vehicle use in the State is expected to increase over the next ten years. Requiring the Department of Transportation to conduct a study and develop a training program for employees who respond to emergencies involving electric vehicles will help to ensure the safety of first and second responders along with the public.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount to an unspecified sum; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 687, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 687, H.D. 1.

Signed by all members of the Committee.

SCRep. 863 Finance on H.B. No. 1483

The purpose of this measure is to improve the quality, efficiency, and availability of health care services in Hawaii by establishing a task force to study the feasibility and merits of allowing the operations of one or more regional systems of the Hawaii Health Systems Corporation, or one or more of its individual health facilities, to transition to public-private partnership status.

The International Longshore and Warehouse Union Local 142 and many individuals testified in support of this measure. The Hawaii Government Employees Association, United Public Workers AFSCME Local 646, and many individuals testified in opposition. The Department of Budget and Finance, Office of Hawaiian Affairs, Hawaii Health Systems Corporation, Maui Memorial Medical Center, Banner Health, and many individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1483, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 864 Finance on H.B. No. 111

The purpose of this measure is to enact the Sustainable Living Research Act which, among other things, authorizes the use of certain land, subject to county approval and oversight, for research, development, and testing of sustainable agriculture, development, waste management, and resource management through planned community use.

Hawaii Appleseed Center for Law and Economic Justice; Hawaii Sustainable Community Alliance; Haiku Aina Permaculture Initiative; Kalani Oceanside Retreat; The Aurora Foundation; Banyan Tree Farm; Laakea Community, LLC; Village Green Society, Inc.; Honaunau Farm, Root and Rise; and numerous individuals provided testimony in support of this measure. The City and County of Honolulu Department of Planning and Permitting provided testimony in opposition to this measure. The Office of Hawaiian Affairs, an individual councilmember of the Hawaii County Council, Hawaii Sustainable Community Alliance, Citizens for Real Government, and Green Collar Technologies provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 111, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 865 Finance on H.B. No. 20

The purpose of this measure is to protect public health and safety and allow the public to enjoy the natural beauty of Hawaii by appropriating funds for the employment of lifeguards, including salaries and benefits, at Kua Bay, Kekaha Kai State Park on the Island of Hawaii.

The Department of Land and Natural Resources and Division of State Parks commented on this bill.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount for salaries, benefits, equipment, and other related expenses for the employment of lifeguards by the Department of Land and Natural Resources on the Island of Hawaii from \$200,000 to an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 20, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 20, H.D. 1.

Signed by all members of the Committee.

SCRep. 866 Finance on H.B. No. 224

The purpose of this measure is to more accurately assess student achievement in the Hawaiian Language Immersion Program by requiring the Department of Education to:

- (1) Develop annual assessments in the Hawaiian language for specified subject areas and grade levels for the purposes of educational accountability under the Elementary and Secondary Education Act of 1965, as amended; and
- (2) Establish procedures for the development of the assessments.

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Association of Hawaiian Civic Clubs, Governing Board of Ke Kula ‘o Samuel M. Kamakau Laboratory Public Charter School, Aha Kauleo Executive Council, Na Koa Ikaika, Parent Board for Ke Kula Kaiapuni ‘o Ānuenuē, Kama‘aha Education Initiative, and numerous concerned individuals supported this measure. The Department of Education, Office of Hawaiian Affairs, Kamehameha Schools, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 224, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 224, H.D. 3.

Signed by all members of the Committee.

SCRep. 867 Finance on H.B. No. 674

The purpose of this measure is to further refine Hawaii's newly nascent charter school law by, among other things, requiring charter schools to complete an annual independent financial audit, specifying requirements for criminal background checks, specifying that per-pupil funding is considered expended upon distribution to the charter schools, and making various housekeeping amendments to Hawaii's Charter School Law.

The Board of Education, State Public Charter School Commission, National Association of Charter School Authorizers, and Hawaii Technology Academy supported this measure. The Hawaii State Ethics Commission, Hawaii Public Charter Schools Network, West Hawaii Explorations Academy, Enterprise Honolulu, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 674, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 674, H.D. 2.

Signed by all members of the Committee.

SCRep. 868 Finance on H.B. No. 725

The purpose of this measure is to support the development of aviation and aeronautics in the State by appropriating \$350,000 in general revenues for a Program Coordinator and technical support staff member to complete the necessary planning and studies required for an International Flight Training Center and associated proposed aeronautical training programs at Hawaii Community College and the University of Hawaii at Hilo.

The University of Hawaii at Hilo, Department of Transportation, County of Hawaii Office of the Mayor, Hawaii Regional Council of Carpenters, State Adjutant General, District 3 Councilmember of the Hawaii County Council, and several concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism provided comments.

Your Committee finds that the proposed International Flight Training Center and aeronautical training programs will provide exciting opportunities for those with access. As such, and to increase access for other University of Hawaii System students, your Committee respectfully requests that consideration be given to the inclusion of the University of Hawaii Center in West Hawaii and the University of Hawaii, West Oahu in the development and implementation of these programs.

Your Committee has amended this measure by:

- (1) Making unspecified the amount of the appropriation; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 725, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 725, H.D. 2.

Signed by all members of the Committee.

SCRep. 869 Finance on H.B. No. 1380

The purpose of this measure is to help increase access for Hawaii residents who are students to educational and civic opportunities by appropriating \$200,000 in general revenues for each fiscal year of fiscal biennium 2013-2015 for the University of Hawaii to implement a scholarship program and other programs, with specified requirements, in partnership with the Washington Center

Several concerned individuals supported this measure. The University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Making unspecified the appropriation amount;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1380, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1380, H.D. 2.

Signed by all members of the Committee.

SCRep. 870 Finance on H.B. No. 1263

The purpose of this measure is to finance improvements to various irrigation systems by authorizing the Director of Finance to issue general obligation bonds for specified projects.

The Agribusiness Development Corporation, Hawaii Crop Improvement Association, Hawaii Farm Bureau Federation, Local Food Coalition, Ulupono Initiative, and an individual provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the amount of the bonds authorized to be issued to an unspecified amount;
- (2) Deleting funding for the Kekaha ditch system;
- (3) Instead of funding the east Kauai irrigation system by general obligation bonds, appropriating an unspecified amount for the system from general revenues;
- (4) Authorizing the use of general obligation bond funding for the Menehune Ditch irrigation system;
- (5) Changing its effective date to July 1, 2030, to encourage further discussion; and

- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1263, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1263, H.D. 2.

Signed by all members of the Committee.

SCRep. 871 Finance on H.B. No. 1264

The purpose of this measure is to support agriculture by expanding the Department of Agriculture Loan Program. Specifically, this measure amends the Loan Program by, among other things:

- (1) Specifying that infrastructure and infrastructure improvement costs are qualifying purposes for certain classes of loans;
- (2) Expanding the availability of new farmer program loans including by waiving the credit denial requirement for certain borrowers, including graduates of farm training programs in the definition of "new farmer", and creating a new farm innovation loan available to fund practical research in crop development and production; and
- (3) Adding a new class of loans for biosecurity projects that, among other things, seek to protect the health of livestock, poultry, and humans from diseases, pests, and pathogens that may originate on a farm, and specifying applicable qualifying purposes, a maximum loan amount, loan terms, and borrower eligibility requirements.

Ulupono Initiative provided testimony in support of this measure. The Department of Agriculture provided comments on this measure.

Your Committee has amended this measure by:

- (1) Leaving unspecified the maximum dollar amounts applicable to:
 - (A) The exemption from credit denial requirements for new farmer loans for graduates of farm trainee programs and recent college graduates with a degree in agriculture;
 - (B) Farm innovation loans; and
 - (C) Biosecurity project loans; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1264, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1264, H.D. 2.

Signed by all members of the Committee.

SCRep. 872 Finance on H.B. No. 1172

The purpose of this measure is to establish a collective bargaining unit for state law enforcement officers and state and county ocean safety and water safety officers.

The Department of Land and Natural Resources; Honolulu Emergency Services Department, Ocean Safety and Lifeguard Services Division, City and County of Honolulu; Hawaiian Lifeguard Association; Hawaii Government Employees Association; and seventeen concerned individuals submitted testimony in support of the measure.

The Department of Budget and Finance and Department of Public Safety submitted comments on the measure.

Your Committee finds that state law enforcement officers and state and county ocean safety and water safety officers risk their own well-being to protect the lives and safety of others on a daily basis. Your Committee further finds that collective bargaining is a constitutionally and statutorily protected right, and the creation of a new bargaining unit would address the specialized labor concerns of these officers.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1172, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1172, H.D. 2.

Signed by all members of the Committee.

SCRep. 873 Finance on H.B. No. 1328

The purpose of this measure is to improve the efficiency of and provide flexibility to the Kaho'olawe Island Reserve Commission. Specifically,

this bill grants the Kaho‘olawe Island Reserve Commission a permanent exemption from the procurement code for the procurement of food or fuel products necessary to effectuate the Kaho‘olawe Island Reserve Commission's purpose.

The Kaho‘olawe Island Reserve Commission testified in support of this measure. The State Procurement Office testified in opposition of this measure.

Your Committee has amended this measure by changing its effective date to June 30, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1328, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1328, H.D. 1.

Signed by all members of the Committee.

SCRep. 874 Finance on H.B. No. 888

The purpose of this measure is to provide a more streamlined process for the disposal of abandoned or seized property in and around low-income housing projects by, among other things:

- (1) Authorizing the Hawaii Public Housing Authority to dispose of property valued at \$500 or more via public auction after having given fifteen days notice of the disposition;
- (2) Authorizing the Hawaii Public Housing Authority to dispose of property valued at less than \$500 as it deems appropriate, without notice; and
- (3) Enabling the owner of the property to repossess the property without reimbursing certain costs and paying certain amounts owed, if the owner provides proof of entitlement prior to the disposition.

The Hawaii Public Housing Authority provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 888, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 888, H.D. 2.

Signed by all members of the Committee.

SCRep. 875 Finance on H.B. No. 509

The purpose of this measure is to establish a Makua Valley Reserve Advisory Committee to develop a plan for preservation and restoration activities in Makua Valley on the island of Oahu and to participate with state and county agencies in carrying out its responsibilities.

Earthjustice; Hawaii Peace and Justice; and several individuals testified in support of this measure. The United States Department of the Army, Regional Environmental and Energy Office – Western testified in opposition to this measure. The Department of Land and Natural Resources; Office of Hawaiian Affairs; the Chamber of Commerce of Hawaii; and two individuals offered comments.

Your Committee has amended this measure by:

- (1) Deleting provisions that established the Makua Valley Reserve Advisory Committee charged with acting in an advisory capacity to assist with developing a plan for the restoration and preservation of the Valley Reserve;
- (2) Establishing instead the Makua Valley Reserve Commission, consisting of seven members, with specific authority to oversee the Department of Land and Natural Resources and other state agencies and to determine permissible uses, approve contracts, provide advice, enter into agreements, and adopt rules regarding the use and stewardship of Makua Valley and hire and delegate authority to employees to carry out its purposes;
- (3) Providing that the Department of Land and Natural Resources will implement, enforce, and provide administrative support for the control and management of Makua Valley subject to the oversight of the Commission;
- (4) Providing that the resources of Makua Valley Reserve will be held as a public land trust upon the cancellation or termination of the existing lease and shall be transferred to a sovereign Native Hawaiian entity upon such an entity's recognition by the United States and the State;
- (5) Providing interim activities for the Commission while the Valley Reserve is still under lease to the United States Army;
- (6) Establishing a Makua Valley Rehabilitation Trust Fund to be administered by the Department of Land and Natural Resources subject

to the prior approval of the Commission; and

- (7) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 509, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 509, H.D. 2.

Signed by all members of the Committee.

SCRep. 876 Finance on H.B. No. 131

The purpose of this measure is to establish a Task Force on Mobility Management within the Department of Health to make recommendations on establishing a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities.

The County of Hawaii Office of Aging, Maui County Office on Aging, the Kauai Agency on Elderly Affairs, and two individuals testified in support of this measure. The Executive Office on Aging provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the general fund appropriation for the staffing, operation, and convening of the Task Force on Mobility Management to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 131, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 131, H.D. 2.

Signed by all members of the Committee.

SCRep. 877 Finance on H.B. No. 1136

The purpose of this measure is to appropriate funds to the Department of Defense for the Civil Air Patrol.

Your Committee received testimony in support of this measure from the Department of Defense, several members of the Civil Air Patrol, Civil Air Patrol - Hawaii Wing, the Kona Composite Squadron of the Hawaii Wing, the Kauai Squadron of the Civil Air Patrol, and two individuals.

Your Committee finds that the Civil Air Patrol performs tsunami warning missions and other emergency services for the residents of this State and that the Civil Air Patrol is a vital asset to the State Department of Defense. This measure would provide funds to ensure that Hawaii has sufficient trained pilots, observers, and scanners within the Civil Air Patrol who can respond to emergencies in the State.

Your Committee has amended this measure by changing the appropriation to an unspecified amount to facilitate further discussion of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1136, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1136, H.D. 2.

Signed by all members of the Committee.

SCRep. 878 Finance on H.B. No. 719

The purpose of this measure is to support infrastructure in the State that allows for data-based decision-making by the education community by appropriating \$150,000 for each fiscal year of fiscal biennium 2013-2015 for the Hawaii Educational Policy Center to conduct research and policy analysis on education issues to inform and assist the education community, including the Legislature and educational institutions within the State.

The Hawaii Educational Policy Center and two concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Making unspecified the appropriation amount;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 719, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 719, H.D. 2.

Signed by all members of the Committee.

SCRep. 879 Finance on H.B. No. 109

The purpose of this measure is to ensure the preservation of the Hawaiian language by requiring that all newly created, replaced, or reprinted state and county documents, letterheads, symbols, and emblems that include Hawaiian words shall contain accurate, appropriate, and authentic Hawaiian names and words, and establishing references for accurate, appropriate, and authentic Hawaiian names and words.

The Legislative Reference Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 109, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 109, H.D. 3.

Signed by all members of the Committee.

SCRep. 880 Finance on H.B. No. 535

The purpose of this measure is to help address the complex problem of homelessness by authorizing the Department of Human Services, in consultation with the mayors of the applicable counties and public or private homeless assistance programs, to designate in each county, temporary nighttime parking lots to provide safe overnight parking for homeless individuals who live and sleep in their motor vehicles and would otherwise park overnight on public or private roads or property.

Homeless Advocates of Hawaii and numerous concerned individuals testified in support of this measure. The City and County of Honolulu opposed this bill. The Department of Human Services, Department of Public Safety, and HawaiiUSA Federal Credit Union submitted comments.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the designation of temporary nighttime parking lots to an unspecified amount; and
- (2) Changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 535, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 535, H.D. 2.

Signed by all members of the Committee.

SCRep. 881 Finance on H.B. No. 909

The purpose of this measure is to improve statewide coordination of infant mortality planning and oversight. Among other things, this bill:

- (1) Establishes the Comprehensive Infant Mortality Reduction Program within the Department of Health to establish, administer, and maintain a statewide, comprehensive infant mortality reduction program;
- (2) Establishes the Hawaii Infant Mortality Reduction Advisory Board, the Board's membership, and the responsibilities of the Board, including the approval of strategic plans to reduce infant mortality in Hawaii;
- (3) Requires the Department of Health to develop and publish a statewide, comprehensive infant mortality reduction strategic plan to reduce infant mortality in Hawaii;
- (4) Requires licensed birthing facilities to submit reports to the Department of Health containing information concerning pre-term births and other birth information, and establishes the minimum content requirements of each report; and
- (5) Appropriates funds for epidemiological and planning activities related to infant mortality, to collect and analyze Hawaii-specific infant mortality data, and to identify social determinants of health related to infant mortality.

The Executive Office on Early Learning and March of Dimes Foundation Hawaii Chapter testified in support of this bill. The Department of Health and Healthcare Association of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Leaving the appropriation amount unspecified to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of H.B. No. 909, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 909, H.D. 2.

Signed by all members of the Committee.

SCRep. 882 Finance on H.B. No. 1209

The purpose of this measure is to require the Legislative Broadcast Program to:

- (1) Make an audio or audiovisual recording of all public hearings and informational briefings held at the State Capitol; and
- (2) Maintain an archive of the recordings to be made available to the public.

Common Cause Hawaii, League of Women Voters of Hawaii, Occupy Hilo Media Team, and a few individuals provided testimony in support of this measure. The Legislative Reference Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation to an unspecified amount; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1209, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1209, H.D. 1.

Signed by all members of the Committee.

SCRep. 883 Finance on H.B. No. 169

The purpose of this measure is to assist family members of individuals in the armed services on, or notified of a call to, active duty. Specifically, this measure permits an employee with a family member in the United States armed forces who is on active duty, or notified of a call to active duty, to use family leave for certain activities for which an employee may take military family leave under federal law if certain documentation certifying the validity of the request is provided to an employer.

The Department of Labor and Industrial Relations and The Chamber of Commerce of Hawaii testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 169, H.D. 2.

Signed by all members of the Committee.

SCRep. 884 Finance on H.B. No. 369

The purpose of this measure is to create a task force to investigate and develop plans to address the risk of residential kitchen fires.

The Department of Commerce and Consumer Affairs; State Fire Council; Kauai Fire Department; County of Hawaii Fire Department; Hawaii Fire Chiefs Association; and Plumbers and Fitters Union, Local 675 supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 369, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 369, H.D. 3.

Signed by all members of the Committee.

SCRep. 885 Finance on H.B. No. 139

The purpose of this measure is to clarify that state law on funds transfers applies to a remittance transfer unless the remittance transfer is an electronic fund transfer under federal law.

Testimony in support of the measure was received from the Department of Commerce and Consumer Affairs and the Commission to Promote Uniform Legislation.

Your Committee finds that the rights and responsibilities of parties involved in certain consumer international wire transfers are not addressed by federal law. This measure is therefore necessary to specify when state law will govern those transactions.

Your Committee has amended this measure by:

- (1) Adding a preamble, designated as Section 1, to state the purpose and intent of the measure; and
- (2) Changing the effective date to July 1, 2030, in order to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 139, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 139, H.D. 1.

Signed by all members of the Committee.

SCRep. 886 Finance on H.B. No. 1027

The purpose of this measure is to provide protections to voters requiring assistance in the completion of their ballots. Specifically, this measure:

- (1) Specifies that voters requiring assistance to vote at a polling place or by absentee ballot may be given assistance by a person of the voter's choice, but voters shall not be assisted by the voter's employer or agent of that employer, agent of the voter's union, or any candidate that is listed on the ballot;
- (2) Specifies that a violation of the voter assistance law by a voter's employer or agent of that employer, agent of the voter's union, or any candidate that is listed on the ballot shall constitute election fraud;
- (3) Provides that special elections conducted by mail are subject to the same requirement as absentee ballots only in cases of voter assistance;
- (4) Requires that absentee voters affirm by signature that the ballot was completed without assistance by the voter's employer or agent of that employer, agent of the voter's union, or any candidate that is listed on the ballot;
- (5) Requires that absentee ballots contain information regarding election fraud, voter fraud, and related penalties; and
- (6) Clarifies the offense of election fraud.

The Department of the Prosecuting Attorney of the City and County of Honolulu, IMUAlliance, League of Women Voters of Hawaii, and numerous concerned individuals supported this measure. The Office of Elections; Department of the Attorney General; Elections Division Office of the County Clerk, County of Kauai; Office of the County Clerk, County of Maui; and Common Cause Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1027, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1027, H.D. 2.

Signed by all members of the Committee.

SCRep. 887 Finance on H.B. No. 198

The purpose of this measure is to increase efficiency in voting and election operations by:

- (1) Requiring the absentee ballot for a voter requesting permanent absentee status to be mailed to the mailing address contained on the voter's most recently completed affidavit on application for voter registration; and
- (2) Allowing the absentee ballot to be temporarily mailed to a different mailing address if the voter submits a temporary mailing authorization in writing.

The Office of Elections, Office of the County Clerk of the County of Maui, and Office of the County Clerk of the County of Kauai supported this measure. A concerned individual opposed this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 198, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 198, H.D. 2.

Signed by all members of the Committee.

SCRep. 888 Finance on H.B. No. 793

The purpose of this measure is to improve the regulation of notaries public by:

- (1) Specifying that a notary public is required to include the notary public's commission number on the notary public's seal or stamp; and
- (2) Authorizing the Attorney General to:
 - (A) Adjust the fees to become a notary public and to renew a notary public commission; and
 - (B) Establish and adjust other fees related to the regulation of notaries public,
 by the adoption of administrative rules pursuant to the Administrative Procedure Law.

The Department of the Attorney General supported this measure.

Your Committee has amended this measure by:

- (1) Inserting an unspecified amount applicable to the adjustment of other fees related to the regulation of notaries public;
- (2) Changing its effective date to July 1, 2030, to facilitate continued discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 793, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 793, H.D. 1.

Signed by all members of the Committee.

SCRep. 889 Finance on H.B. No. 749

The purpose of this measure is to provide for the development of a robust agricultural industry and workforce in the State.

Specifically, the measure establishes the Hawaii Agriculture Workforce Advisory Board to:

- (1) Develop the next generation of the agricultural industry workforce in the State;
- (2) Maintain and support the National FFA Organization within the State; and
- (3) Recommend projects and programs to promote the expansion and development of the agricultural industry in the State.

One individual testified in support of the measure. The Department of Labor and Industrial Relations submitted comments.

Your Committee finds that it is the policy of the State to promote economically competitive activities that increase Hawaii's agricultural self-sufficiency, attractiveness, and opportunities for an agricultural workforce and livelihood. Your Committee believes that establishing the Hawaii Agriculture Workforce Advisory Board will expand the successful collaborations developed between the public sector and private businesses to promote a more competitive and better trained agricultural workforce.

Your Committee has amended this measure by:

- (1) Placing the Agriculture Workforce Advisory Board within the Department of Labor and Industrial Relations for administrative purposes;
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive amendment for the purposes of style and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 749, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 749, H.D. 2.

Signed by all members of the Committee.

SCRep. 890 Finance on H.B. No. 414

The purpose of this measure is to:

- (1) Establish a Waipio Valley Commission (Commission) to advise the Department of Land and Natural Resources on the development of a long-term plan to ensure the proper stewardship and maintenance of Waipio Valley on the island of Hawaii; and
- (2) Appropriate funds for the Department of Land and Natural Resources to conduct a flood study and propose flood mitigation methods for the Valley.

The Taro Security and Purity Task Force and one concerned individual testified in support of this measure. The Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Including preservation for future generations as part of the long-term plan for Waipio Valley;
- (2) Providing that the Chairperson of the Commission shall be elected by its members, rather than the Chairperson of the Board of Land and Natural Resources serving as the Chairperson of the Commission;
- (3) Providing that the person who shall invite representatives from stakeholder organizations and groups to participate as members of the Commission shall be the Governor instead of the Chairperson of the Commission;
- (4) Changing and expanding the list of stakeholder organizations and groups to be represented on the Commission;
- (5) Providing that the Commission may invite resource personnel to assist with its work including specified federal, state, and county agencies;
- (6) Removing provisions requiring that the Department of Land and Natural Resources conduct a flood study for Waipio Valley and appropriating an unspecified amount for the flood study;
- (7) Appropriating funds for the design and construction of flood damage reduction and stream stabilization measures in Waipio Valley as referenced in the Waipio Valley Flood Damage Reduction and Stream Stabilization Preliminary Investigative report released in January 2012 by the Mauna Kea Soil and Water Conservation District; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 414, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 414, H.D. 2.

Signed by all members of the Committee.

SCRep. 891 Finance on H.B. No. 429

The purpose of this measure is to require legislative approval by a simple majority vote for a concurrent resolution by both houses of the Legislature for any amendment or exception to the Kakaako Final Mauka Area Plan and to the Kakaako Makai Area Plan adopted by the Hawaii Community Development Authority.

Scott Hawaii; U. Okada & Co., Ltd.; and a few individuals provided testimony in support of this measure. The Executive Director of the Hawaii Community Development Authority, Friends of Kewalos, and two individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 429, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 892 Finance on H.B. No. 481

The purpose of this measure is to allow for the construction of certain indigenous Hawaiian hale without a building permit on land that is used for farming operations.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 481, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 893 Finance on H.B. No. 482

The purpose of this measure is to limit the agricultural tax credit for important agricultural lands by removing the ability to deduct from taxable income all expenditures for legal services related to obtaining or retaining sufficient water for agricultural activities and retaining the right to farm on important agricultural lands.

Earthjustice testified in support of this bill. The Land Use Research Foundation of Hawaii testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 482, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 894 Finance on H.B. No. 101

The purpose of this measure is to provide flexibility to the County of Hawaii in roadway development by:

- (1) Allowing the County of Hawaii to expend its share of fuel tax revenue for the maintenance of substandard private subdivision roads that are used by the public; and
- (2) Stipulating that neither the State nor County of Hawaii is responsible for installing infrastructure if any portion of the private subdivision is later sold to an entity other than the State or County of Hawaii.

A concerned individual supported this measure. The Tax Foundation of Hawaii and a concerned individual offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 101, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representatives Cullen and Tokioka voted no.)

SCRep. 895 Finance on H.B. No. 892

The purpose of this measure is to support services for the disabled by increasing, for a five-year period, the state motor vehicle registration fee by \$1 and designating the increased amount to the Disability and Communication Access Board Special Fund to cover the costs of administering the parking program for the disabled.

The Disability and Communication Access Board and a concerned individual supported this measure. Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the annual vehicle registration fee from \$46 to an unspecified amount;
- (2) Changing the amount that shall be deposited into the Disability and Communication Access Board Special Fund from \$1 to an unspecified amount;
- (3) Changing its effective date to January 1, 2030, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 892, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 892, H.D. 2.

Signed by all members of the Committee.
(Representative Fukumoto voted no.)

SCRep. 896 Finance on H.B. No. 859

The purpose of this measure is to enable the Hawaii Community Development Authority (HCDA) to incorporate complete streets design to create safe and convenient street routes for all pedestrians, bicyclists, and users of public transportation in community development districts by:

- (1) Requiring HCDA to notify a county that will be affected by proposed improvements to county highways and county-owned adjacent land and to allow the county an opportunity to present its position at a public hearing;
- (2) Requiring that decisions of HCDA include findings that the proposed improvements to a county highway or adjacent land are consistent with local and national policies, principles, guidelines, and best practices relating to complete streets; and
- (3) Specifying that a decision issued in compliance with the notice and findings requirements shall be final and binding on the affected

county, which shall permit and accept dedication of the improvements.

The Department of Business, Economic Development, and Tourism; Hawaii Community Development Authority; and a member of the Honolulu City Council supported this measure. The Department of Transportation Services of the City and County of Honolulu and a concerned individual opposed this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 859, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 859, H.D. 3.

Signed by all members of the Committee.

SCRep. 897 Finance on H.B. No. 238

The purpose of this measure is to support witnesses in criminal proceedings by:

- (1) Raising the per diem rate for out-of-state witnesses from \$110 to \$145; and
- (2) Providing an additional \$90 per diem payment for witnesses traveling from another island within the State who are required to stay overnight.

The Crime Victim Compensation Commission, Hawaii Tourism Authority, Department of the Prosecuting Attorney of the City and County of Honolulu, and a concerned individual testified in support of this measure. The Department of Budget and Finance provided comments.

Your Committee finds that per diem stipends for witnesses who must travel to an island within the State where criminal proceedings are conducted have remained unchanged for decades and are no longer sufficient to pay for personal expenses such as lodging and meals. This measure adjusts per diem stipends to reflect the current cost of living in Hawaii and prevent economic barriers that may discourage or prevent witnesses from participating in criminal proceedings.

Your Committee has amended this measure by:

- (1) Changing the amount of the increased per diem payment for out-of-state witnesses in criminal cases to an unspecified amount;
- (2) Changing the amount of the additional per diem payment for witnesses traveling from another island within the State who are required to stay overnight to an unspecified amount;
- (3) Changing the effective date to July 1, 2030, to encourage further discussion on this measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 238, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 238, H.D. 1.

Signed by all members of the Committee.

SCRep. 898 Finance on H.B. No. 805

The purpose of this measure is to amend the Employees' Retirement System laws to comply with Internal Revenue Code requirements and vesting rules in order to maintain the system's status as a tax-qualified retirement plan.

The Department of Budget and Finance and the Administrator of the Employees' Retirement System supported this measure.

Your Committee has amended this measure by:

- (1) Clarifying the terms "stability period" and "look-back month" by citing the relevant United States Treasury Regulations sections;
- (2) Changing its effective date to July 1, 2030, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 805, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 805, H.D. 1.

Signed by all members of the Committee.

SCRep. 899 Finance on H.B. No. 487

The purpose of this measure is to support local agriculture by expanding the Livestock Revitalization Program by, among other things:

- (1) Adding the production of goat's milk, sheep, lamb, fish, and crustaceans to the activities of a qualified producer to extend the livestock feed subsidy to these products;
- (2) Establishing production minimums respectively applicable to lactating milking goats, and fish and crustaceans, for subsidy granting purposes; and
- (3) Appropriating moneys for the livestock feed subsidy and to fund the administrative costs of the Livestock Revitalization Program.

Hawaii Farm Bureau Federation; Local Food Coalition; Ulupono Initiative; Mikilua Poultry Farm, Inc.; Hawaii Cattlemen's Council; and a few individuals offered testimony in support of this measure.

Your Committee has amended this measure by, among other things:

- (1) Reducing the production minimums for qualified producers and the corresponding feed subsidy to encompass a flock, herd, or sale size of smaller farms;
- (2) Creating a subsidy for qualified feed developers who grow feed and sell it to qualified producers;
- (3) Leaving the appropriation amount unspecified and adding qualified feed developer costs to the purposes for which the appropriation may be used; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 487, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 487, H.D. 2.

Signed by all members of the Committee.

SCRep. 900 Finance on H.B. No. 873

The purpose of this measure is to support Hawaii's youth in foster care by establishing the Young Adult Voluntary Foster Care Program extending foster care services to provide care and supervision of eligible foster youth until their twenty-first birthday.

The Hawaii State Judiciary; Department of Human Services; Office of Hawaiian Affairs; Hawaii State Commission on the Status of Women; Youth Services Network; Catholic Charities Hawaii; Hawaii Women's Coalition; Hale Kipa; Epic Ohana, Inc.; Legal Aid Society of Hawaii; Olomea; and numerous individuals submitted testimony in support of this measure. One individual commented on the measure.

Your Committee has amended this measure by:

- (1) Amending its effective date to January 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 873, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 873, H.D. 2.

Signed by all members of the Committee.

SCRep. 901 Finance on H.B. No. 1208

The purpose of this measure is to generate revenues for certain human services and health programs by moving to establish fees for licensing, certification, and certification renewal for certain programs by:

- (1) Requiring the Department of Human Services to gather data and recommend reasonable fees for the certification and licensure of providers of home- and community-based case management, community care foster family home, and adult day care center services;
- (2) Requiring the Department of Health to adopt the foregoing recommended fees after the transfer of programs; and
- (3) Requiring the Director of Human Services to recommend fees for training and recertification of nurse aides.

The Department of Health opposed this measure. The Department of Human Services submitted comments.

Your Committee has amended this measure by:

- (1) Removing provisions requiring the Director of Human Services to recommend fees for nurse aides;

- (2) Authorizing rather than mandating the Department of Health to adopt the fees as recommended by the Department of Human Services;
- (3) Requiring the Department of Human Services to submit a report on its findings and recommendations on the assessment of fees to the Legislature no later than 20 days before the convening of the regular session of 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1208, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1208, H.D. 2.

Signed by all members of the Committee.

SCRep. 902 Finance on H.B. No. 114

The purpose of this measure is to assist the University of Hawaii Board of Regents in discharging its constitutional powers and duties and to ensure the responsible use of fiscal resources by the University by statutorily establishing an Independent Audit Committee within the Board of Regents.

The University of Hawaii provided comments on H.B. No. 114, H.D. 2.

For the purposes of a public hearing, your Committee circulated a proposed H.D. 3 that, in addition to the original contents of this measure, requires the state procurement officer, rather than the President of the University of Hawaii, to serve as the chief procurement officer for construction contracts and professional services related to construction contracts for the University of Hawaii.

The University of Hawaii opposed the proposed H.D. 3. The State Procurement Office provided comments on the proposed H.D. 3.

Accordingly, your Committee has amended this measure by adopting the proposed H.D. 3.

Your Committee has further amended this measure by:

- (1) Specifying that construction contracts and professional services for which the Administrator of the State Procurement Office shall serve as the chief procurement officer are those furnished by professional engineers, architects, surveyors, and landscape architects, including construction management; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 114, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 114, H.D. 3.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 903 Finance on H.B. No. 385

The purpose of this measure is to enhance asset-building and financial security for Hawaii residents and increase their financial education by implementing two recommendations submitted by the Hawaii State Asset Building and Financial Education Task Force by:

- (1) Enacting a refundable state Earned Income Tax Credit;
- (2) Requiring the Department of Human Services to offer financial education to applicants for and recipients of Temporary Assistance for Needy Families (TANF); and
- (3) Appropriating funds for financial education to TANF applicants and recipients.

The Office of Hawaiian Affairs; Hawaii Appleseed Center for Law and Economic Justice; Catholic Charities Hawaii; Goodwill Industries of Hawaii, Inc.; PHOCUSED; Partners In Care; Hawaii Women's Coalition; and two concerned individuals supported this measure. The Department of Human Services, Department of Taxation, Office of Community Services, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 385, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 385, H.D. 2.

Signed by all members of the Committee.
(Representative Jordan voted no.)

SCRep. 904 Finance on H.B. No. 856

The purpose of this measure is to establish a regulatory financing structure that authorizes the Public Utilities Commission (PUC) and the Department of Business, Economic Development, and Tourism (DBEDT) to provide low-interest loans for green infrastructure equipment and technology by:

- (1) Establishing the Hawaii Green Infrastructure Authority within DBEDT to administer the Hawaii Green Infrastructure Loan Program;
- (2) Establishing funding mechanisms to ensure the sustainability of the loan program, including the creation of a green infrastructure bond special fund and a green infrastructure special fund;
- (3) Establishing procedures for the Public Utilities Commission, through the electric utilities, to implement fees and on-bill financing to effectuate the purposes of the loan program;
- (4) Allowing DBEDT to issue revenue bonds to effectuate the purposes of the loan program; and
- (5) Requiring an annual report from the Hawaii Green Infrastructure Authority and the inclusion of information in the annual report of the Public Utilities Commission regarding the financing and progress of the Hawaii Green Infrastructure Loan Program.

The Office of the Governor; Public Utilities Commission; Department of Budget and Finance; Sierra Club, Hawaii Chapter; Ulupono Initiative; Blue Planet Foundation; and Hawaii Regional Council of Carpenters testified in support of this measure. The State Procurement Office testified in opposition of this measure. The Department of Business, Economic Development, and Tourism; Hawaiian Electric Company; Hawaii Electric Light Company; and Maui Electric Company provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 856, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 905 Finance on H.B. No. 668

The purpose of this measure is to transfer the State's Medical Use of Marijuana Program from the Department of Public Safety to the Department of Health.

The Department of Public Safety, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Advocates For Consumer Rights, Drug Policy Forum of Hawaii, Natural Cancer Wellness Foundation, and several individuals provided testimony in support of this measure. The County of Hawaii Police Department provided testimony in opposition to this measure. The Department of Human Resources Development, Department of Health, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Providing the Department of Public Safety and Department of Health greater flexibility in determining which functions shall be transferred;
- (2) Clarifying provisions regarding the transfer of employees from the Department of Public Safety to the Department of Health, including employees exempt from civil service requirements;
- (3) Establishing a Medical Marijuana Revolving Fund into which medical marijuana registration fees shall be deposited for the purpose of offsetting administrative costs and other purposes;
- (4) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that it is waiting to receive further information from the Department of Health regarding the staffing of positions for the Medical Use of Marijuana Program upon its transfer from the Department of Public Safety.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 668, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 668, H.D. 2.

Signed by all members of the Committee.

SCRep. 906 Finance on H.B. No. 776

The purpose of this measure is to afford all parties with the same right to elect a jury trial in tort actions brought against the State of Hawaii under the State Tort Liability Act.

The Department of the Attorney General supported this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 776, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 776, H.D. 2.

Signed by all members of the Committee.

SCRep. 907 Finance on H.B. No. 1147

The purpose of this measure is to encourage transparency in the elections process by:

- (1) Amending disclosure requirements for advertisements, including by requiring noncandidate committees that make only independent expenditures to identify certain top contributors in their advertisements, defining top contributors, and providing penalties for violations;
- (2) Clarifying that any person, as defined in section 11-302, Hawaii Revised Statutes, who fails to file or files a substantially defective or deficient campaign spending report is subject to monitoring and penalties including fines;
- (3) Requiring the Campaign Spending Commission (Commission) to make all reports filed with the Commission publicly available on the Commission's website in a searchable database;
- (4) Amending the contribution and expenditure reporting requirements for candidates, candidate committees, and noncandidate committees, including by requiring noncandidate committees making only independent expenditures to certify that no expenditures have been coordinated with a candidate, candidate committee, or any agent of a candidate or candidate committee;
- (5) Clarifying filing requirements for late contribution and late expenditure reports for candidates, candidate committees, and noncandidate committees;
- (6) Expanding the information required to be included in any statement of information filed with the Commission to report electioneering communication expenditures to include the identities of the individuals who authorized the expenditure, candidates supported or opposed by the communication, and certain top contributors;
- (7) Expanding the definition of "electioneering communication" to include any advertisement that is broadcasted or published by electronic means; and
- (8) Repealing filing requirements specific to corporations.

Common Cause Hawaii, League of Women Voters of Hawaii, Open Law Alliance, and numerous individuals supported this measure. The Campaign Spending Commission and Americans for Democratic Action/Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to November 5, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1147, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1147, H.D. 2.

Signed by all members of the Committee.

SCRep. 908 Health on H.B. No. 903

The purpose of this measure is to improve the State's ability to manage and reduce nonpoint source pollution and wastewater system pollution by, among other things:

- (1) Authorizing the Director of Health to charge fees to owners of individual wastewater systems and for nonpoint source pollution management plan applications;
- (2) Establishing within the Water Pollution Control Revolving Fund, a separate water pollution control account for controlling and reducing pollution from point sources, nonpoint sources, and individual wastewater systems; and
- (3) Requiring any person or public entity, excluding certain farming operations and landowners, to obtain approval from the Director of Health for a management plan prior to discharging any water pollutant into state waters from a nonpoint source or causing or allowing any water pollutant to enter state waters from a nonpoint source.

The Department of Health, Department of Land and Natural Resources, Office of Planning, Surfrider Foundation, and numerous concerned individuals supported this measure. The Hawaii Farm Bureau Federation, Alexander & Baldwin, Inc., Hawaii Cattlemen's Council, and a concerned individual opposed this bill. The Department of Agriculture and the City and County of Honolulu Department of Environmental Services commented on this measure.

Protecting the waters of the State from nonpoint source pollution is a matter of statewide importance. This measure establishes procedures for a nonpoint source pollution management plan to help the State address and mitigate the detrimental effects of nonpoint source pollution. However, your Committee recognizes that there are provisions in the measure that require further consideration and clarity, including:

- (1) Whether the term "nonpoint source" encompasses individual wastewater systems and whether the requirement for management plans extends to individual wastewater systems; and
- (2) How the collection of fees by the counties under this measure will be administered: Whether the fees will be paid by the property owner or by the permit applicant.

Your Committee recognizes the benefits of continued legislative discussion and public input on this measure to support protection of the State's water resources and to support state compliance with the Clean Water Act, Coastal Zone Management Act, and other federal and state requirements.

Your Committee has amended this measure by:

- (1) Amending the nonpoint source pollution management plan procedures to require a person or public entity, but not qualifying farmers and landowners, to file a management plan upon order of the Director of Health, where the Director of Health finds that nonpoint source pollution exists;
- (2) Requiring the Director of Health to attempt to coordinate with agencies responsible for soil conservation plans and stormwater management plans in developing the application form for management plan approval;
- (3) Imposing a penalty for specified violations only after the violator has had one year to achieve voluntary compliance;
- (4) Prohibiting the collection of fees for management plan review, approval, and enforcement from any farming operation as defined in section 165-2, Hawaii Revised Statutes, the Hawaii Right to Farm Act, for five years;
- (5) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 903, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 903, H.D. 2.

Signed by all members of the Committee except Representatives Jordan and Cheape.

SCRep. 909 Judiciary on H.B. No. 146

The purpose of this measure is to prohibit the use of certain types of motor vehicle wheels that are considered dangerous by:

- (1) Prohibiting any person from operating a vehicle, trailer, or semi-trailer equipped with dangerous wheels; and
- (2) Defining the term "dangerous wheels".

The Department of Transportation, Hawaii Police Department, and Maui Police Department supported this measure. The Honolulu Police Department and Hawaii Transportation Association submitted comments.

Your Committee has amended this measure by:

- (1) Amending the definition of "dangerous wheels" to mean any wheel, wheel cover, hubcap, lug nut cover or cap, prong, or any ornamentation affixed to any of the aforementioned items that extends at least four inches beyond the outer edge of the wheel's rim and that may cause injury or property damage by minimal contact with a person or object; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 146, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 146, H.D. 2.

Signed by all members of the Committee except Representative Ito.

SCRep. 910 Judiciary on H.B. No. 798

The purpose of this measure is to clarify requirements concerning the Hawaii Community Development Authority's publishing of notice of public hearings. Specifically, this measure clarifies notice requirements for Hawaii Community Development Authority public hearings relating to:

- (1) Amendments to the Authority's community development rules; and
- (2) Acceptance of a developer's proposal to develop lands under the Authority's control.

The Hawaii Community Development Authority and Department of Business, Economic Development, and Tourism supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 798 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kawakami, McDermott and Thielen.

SCRep. 911 Judiciary on H.B. No. 980

The purpose of this measure is to enact a statewide law prohibiting the use of any mobile electronic device while operating a motor vehicle and to establish penalties for violations of the law.

The Department of Transportation, Honolulu Police Department, AAA Hawai'i, Alliance of Automobile Manufacturers, Safe Community of Maui, Property Casualty Insurers Association of America, and several concerned individuals supported this measure. AT&T provided comments.

Your Committee has amended this measure by:

- (1) Prohibiting persons under 18 years of age from utilizing a hands-free mobile electronic device while operating a motor vehicle except for making a "911" emergency communication;
- (2) Doubling the fines for violations that occur in school zones or construction areas;
- (3) Providing that the state law prohibiting the use of mobile electronic devices while operating a motor vehicle shall supersede county ordinances regulating the same subject;
- (4) Requiring testing on the state mobile electronic device law on the examination for a driver's license; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 980, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 980, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 912 Judiciary on H.B. No. 1280

The purpose of this measure is to more clearly define and delineate the duties and responsibilities of process servers, including by examining ways of licensing and registering process servers by requiring the Department of Public Safety to convene a working group to:

- (1) Define and delineate process server duties and responsibilities;
- (2) Create a registration process for process servers;
- (3) Examine the licensing requirements of and jurisdictional concerns with the private process server industry in the State; and
- (4) Address other relevant issues.

The Hawai'i State Judiciary, Department of Public Safety, and a concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Authorizing the Director of Public Safety to maintain a list of independent civil process servers authorized to process specified writs and other orders and documents;
- (2) Shielding the Department of Public Safety and the State from responsibility or liability for the conduct of any independent civil process server placed on the list;
- (3) Specifying that an independent civil process server placed on the Department of Public Safety's list shall not be considered a law enforcement officer, sheriff or deputy sheriff, or employee or agent of the State; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1280, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1280, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Wooley.

SCRep. 913 Judiciary on H.B. No. 1059

The purpose of this measure is to protect the rights of non-citizens and allow a non-citizen defendant the opportunity to make a knowing,

voluntary, and intelligent plea of guilty or no contest. Specifically, this measure requires the court to advise criminal defendants of the effects of a guilty or no contest plea on their alien status in the United States prior to the entry of a guilty or no contest plea.

The Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; and Maui Police Department supported this measure. The Office of the Public Defender offered comments on this bill.

Your Committee has amended this measure by:

- (1) Requiring the court to administer, verbatim, two advisements concerning alien status to a criminal defendant:
 - (A) One at a defendant's arraignment and plea hearing for an offense punishable as a crime under state law; and
 - (B) One prior to the commencement of trial or a defendant's entry of a plea of guilty or nolo contendere;
- (2) Clarifying the content of the two contextually appropriate advisements that must be given to a defendant; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1059, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1059, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kawakami, McDermott and Thielen.

SCRep. 914 Judiciary on H.B. No. 21

The purpose of this measure is to assist condominium associations with the collection of unpaid common assessments by:

- (1) Removing language that granted certain sums unpaid on any mortgage of record priority over an association's lien for unpaid common assessments;
- (2) Authorizing enforcement of association liens for unpaid common assessments through foreclosure against any acquirer of the condominium property and the acquirer's successors and assigns;
- (3) Repealing the board of directors of an association's authority to collect a special assessment equal to six months of unpaid regular monthly common assessments from the purchaser of a condominium unit with a recorded lien for delinquent common assessments; and
- (4) Specifying the allocation of excess rental income from a condominium unit to which an association holds title pursuant to a foreclosure proceeding.

Your Committee received testimony in support of this measure from Elima Lani AOAO; Country Club Village, Phase 2 Association of Apartment Owners; Pono Kai Resort Apartment Owners Association; and numerous individuals. Hawaii Bankers Association, Hawaii Financial Services Association, Hawaii Credit Union League, and OLS Hotels and Resorts testified in opposition to this measure. The Department of Commerce and Consumer Affairs, Hawai'i Association of REALTORS, Community Associations Institute Hawaii Chapter, and two individuals submitted comments.

Your Committee has amended this measure by:

- (1) Restoring existing statutory language which granted certain sums unpaid on any mortgage of record priority over an association's lien for unpaid common assessments;
- (2) Deleting provisions that would have authorized an association to enforce liens for unpaid common assessments against any acquirer of the condominium property and the acquirer's successors and assigns;
- (3) Authorizing an association to collect from unit owners, on a monthly basis at a rate of no more than ten percent of the regular monthly common assessments, an amount equal to twelve months of regular monthly common assessments for deposit into an interest-bearing account as surety against the nonpayment of regular monthly common assessments following foreclosure of a condominium unit;
- (4) Restoring a board of directors' authority to collect a six-month special assessment from the purchaser of a condominium unit with a recorded lien for delinquent common assessments;
- (5) Clarifying that the provisions of this measure apply equally to condominium property regimes subject to chapter 514A, Hawaii Revised Statutes, and condominiums subject to chapter 514B, Hawaii Revised Statutes; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 21, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 21, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Ito and Lee.

SCRep. 915 Judiciary on H.B. No. 910

The purpose of this measure is to render more efficient the processes surrounding conditional release without adversely impacting defendants' rights, the provision of effective mental health services, or public safety. Specifically, this measure, among other things:

- (1) Requires all public agencies in possession of specified records of a defendant ordered to be examined regarding the defendant's fitness to proceed to provide those records to the Court;
- (2) Limits to one year the period of conditional release ordered for defendants who were charged with a petty misdemeanor, misdemeanor, or violation;
- (3) Requires the tolling of the one-year term of conditional release for defendants charged with a petty misdemeanor, misdemeanor, or violation, during any period of hospitalization ordered due to noncompliance with the terms of the conditional release and during the pendency of a motion to revoke the conditional release; and
- (4) Requires the period of conditional release to be terminated upon revocation of the conditional release.

The Judiciary, Department of Health, Office of the Public Defender, Community Alliance for Mental Health, United Self Help, Hawaii Disability Rights Center, and Mestizo Association supported this measure. The County of Maui Department of the Prosecuting Attorney, City and County of Honolulu Department of the Prosecuting Attorney, and Hawaii Police Department opposed this measure.

Your Committee finds that it is important to balance the rights of defendants with the necessity of ensuring public safety. Given that such determinations should be based on quantitative evidence, your Committee respectfully requests the Department of Health to immediately provide to the Legislature any information it possesses, current through the beginning of the 2013 Legislative Session, detailing the number, frequency, and types of criminal offenses and violations committed by defendants discharged from conditional release.

Your Committee has amended this measure by:

- (1) Requiring the Department of Health to submit a report prior to the 2015 Legislative Session detailing the number, frequency, and types of criminal offenses and violations committed by defendants discharged from conditional release during the period beginning with the commencement of the 2013 Legislative Session through the end of 2014; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 910, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 910, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kawakami, McDermott and Thielen.

SCRep. 916 Judiciary on H.B. No. 667

The purpose of this measure is to address the concerns of Hawaii's seriously ill patients by amending provisions of the Hawaii medical use of marijuana law.

The Community Alliance on Prisons, Americans for Safe Access, Drug Policy Action Group, Drug Policy Forum of Hawaii, and numerous individuals testified in support of this measure. The Department of the Attorney General, Department of Public Safety, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and one concerned individual testified in opposition to the bill. The Department of Health and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Removing language that would have provided immunity from searches, seizures, and prosecution for marijuana-related offenses for qualifying patients transporting medical marijuana;
- (2) Specifying that Hawaii medical marijuana authorization will be extended to qualified patients from out-of-state only if the visiting patients have in their possession a valid registry identification card issued in another jurisdiction of the United States;
- (3) Clarifying that any visiting qualified patient who is in Hawaii for thirty-one days or more shall register with the State's medical use of marijuana program;
- (4) Requiring each primary caregiver to include the number of qualifying patients for which they are responsible in their registration with the Department of Health and to notify the Department in writing of any change to that number;
- (5) Requiring that the number of qualified patients for whom a primary caregiver is responsible be included on any registration card issued to the primary caregiver; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 667, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 667, H.D. 2.

Signed by all members of the Committee except Representative Carroll.

SCRep. 917 Judiciary on H.B. No. 411

The purpose of this measure is to ensure that victims of sexual assault in Hawaii receive the nationally accepted standard of care by requiring hospitals providing emergency medical services to sexual assault victims to:

- (1) Provide medically and factually accurate and unbiased written and oral information about emergency contraception;
- (2) Orally inform each victim of the option to receive emergency contraception;
- (3) Offer emergency contraception to each victim when medically indicated;
- (4) Provide a full course of emergency contraception to each victim that accepts or requests it;
- (5) Ensure that providers responsible for prescribing or administering emergency contraception are trained to provide medically and factually accurate and unbiased written and oral information about emergency contraception, access to emergency contraception, and information about sexual assault treatment options; and
- (6) Authorize the Department of Health to enforce the provisions of this measure, including assessing penalties, and to make rules.

The Department of Human Services; Department of the Prosecuting Attorney of the City and County of Honolulu; Crime Victim Compensation Commission; Hawaii State Commission on the Status of Women; American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Medical Association; Sex Abuse Treatment Center; Planned Parenthood of Hawaii; Kaiser Permanente Hawaii; Gay Lesbian Bisexual and Transgender Caucus of the Democratic Party of Hawaii; Hawaii Women Lawyers; Hawaii State Democratic Women's Caucus; Honolulu Pride; League of Women Voters of Hawaii; Domestic Violence Action Center; Hawaii State Coalition Against Domestic Violence; Healthy Mothers Healthy Babies Coalition of Hawaii; American Civil Liberties Union; AAUW Windward Branch; Breastfeeding Hawaii; Community Alliance on Prisons; Progressive Democrats of Hawaii; and numerous concerned individuals testified in support of this measure. The Hawaii Catholic Conference, St. Francis Healthcare System, Hawaii Family Advocates, Hawaii Family Forum, and one concerned individual testified in opposition to this measure. The Department of Health and IMUAlliance provided comments.

Your Committee has amended this measure by:

- (1) Adding definitions of "compulsion" and "strong compulsion";
- (2) Removing language from the definition of "sexual assault" that would have included sexual intercourse with someone who is mentally incapacitated;
- (3) Specifying that the emergency contraception and care required under this measure is applicable to female sexual assault victims; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 411, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 411, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Ito, Wooley and McDermott.
(Representative Har voted no.)

SCRep. 918 Judiciary on H.B. No. 1268

The purpose of this measure is to expand the list of potential assignees of 999-year homestead leases by authorizing the transfer or assignment of the leases to trustees of a land trust established to manage and hold the homestead leasehold estate.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, and two concerned individuals supported this measure. A concerned individual opposed this measure.

Your Committee finds that this measure may not fully address the complex issues that can arise among family members regarding 999-year homestead leases. As this measure moves forward in the legislative process, your Committee respectfully recommends that a more thorough and comprehensive solution be examined. Your Committee also respectfully requests that consideration be given to limiting eligible trustees to third-party individuals and prohibiting lessees from being designated as trustees.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2100, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1268, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1268, H.D. 1.

Signed by all members of the Committee except Representative Carroll.
(Representative Cabanilla voted no.)

SCRep. 919 Judiciary on H.B. No. 1324

The purpose of this measure is to make streets safer by:

- (1) Requiring annual registration and inspection of mopeds;
- (2) Requiring operators of mopeds to enroll in safety courses in order to operate their mopeds; and
- (3) Increasing the fine for modifying a moped to \$1,000.

The Department of Transportation and a concerned individual supported this measure. The Department of Customer Services of the City and County of Honolulu provided comments.

Your Committee has amended this measure by:

- (1) Providing that the registration of mopeds be conducted on an annual, but staggered basis, based upon the month in which they are initially registered; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1324, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1324, H.D. 2.

Signed by all members of the Committee except Representative Carroll.
(Representatives Cabanilla and McDermott voted no.)

SCRep. 920 Finance on H.B. No. 775

The purpose of this measure is to appropriate funds to satisfy claims against the State or its officers or employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding eight additional claims against the State of Hawaii as follows:
 - (A) Bitanga v. State of Hawaii, Tort Claim, a settlement in the amount of \$18,000;
 - (B) Cain, et al. v. State of Hawaii Academy of Arts & Science Charter School, Civil No. 11-00501, USDC, a settlement in the amount of \$30,000;
 - (C) E.P., et al. v. State of Hawaii, et al., Civil No. 10-1-1357-06, First Circuit, a settlement in the amount of \$40,000;
 - (D) Doe Parent, et al. v. State of Hawaii, et al., Civil No. 09-1-2773-11, First Circuit, a settlement in the amount of \$20,000;
 - (E) Gilding v. State of Hawaii, Civil No. 08-1-1852-09, First Circuit, a settlement in the amount of \$350,000;
 - (F) Gwen Kubo, a miscellaneous claim in the amount of \$3,337.75;
 - (G) Callo, et al. v. State of Hawaii, Civil No. 05-19782, Second Circuit, and Douger, et al. v. State of Hawaii, Civil No. 05-18339, Second Circuit (consolidated cases), a settlement in the amount of \$2,100,000; and
 - (H) Dela Cruz v. State of Hawaii, et al., Civil No. 06-1-0258, Third Circuit, a settlement in the amount of \$35,000; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 775, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 775, H.D. 2.

Signed by all members of the Committee.

SCRep. 921 Finance on H.B. No. 497

The purpose of this measure is to amend the renewable energy technologies income tax credit by:

- (1) Basing claims for the credit on renewable energy technology property rather than renewable energy technology systems;
- (2) Adjusting requirements and credit cap amounts for solar energy property based on use and megawatt capacity, as applicable, including

solar energy property: (A) used explicitly to heat water, (B) used primarily to generate electricity with less than one megawatt capacity, and (C) used primarily to generate electricity with more than one megawatt capacity;

- (3) For wind energy property, basing the credit amount on twenty percent of the basis or \$500,000, whichever is less, and establishing megawatt capacity and other requirements;
- (4) Amending defined terms to effectuate the intent of the measure;
- (5) Providing for taxpayer refunds of the renewable energy income tax credit under certain circumstances;
- (6) Allowing certain associations to claim the credit under the association's name or for property and facilities placed in service and located on common areas; and
- (7) Amending the reporting requirement of the renewable energy technologies income tax credit to include the joint participation of the Department of Taxation and the Department of Business, Economic Development, and Tourism.

This measure also requires the Department of Business, Economic Development, and Tourism to study, among other things, the costs incurred and benefits gained from the tax credit, and report to the Legislature on whether the credit should be continued, eliminated, or revised.

Finally, this measure supports the State's renewable energy initiatives by establishing a regulatory financing structure that authorizes the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to provide low-interest loans for green infrastructure property.

Inter-Island Solar Supply; Rising Sun Solar and Electric; Keahole Solar Power LLC; Forest City Hawaii; SunPower Systems Corporation; The Pacific Resource Partnership; Kairos Energy Capital; SolarCity; Mainstream Energy Corp.; REC Solar; AEE Solar; RevoluSun; Distributed Energy Partners; Ulupono Initiative; Sierra Club, Hawaii Chapter; and a few individuals provided testimony in support of this measure. Kauai Island Utility Cooperative provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism; Public Utilities Commission; Department of Budget and Finance; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Department of Taxation; Department of the Attorney General; State Procurement Office; Tax Foundation of Hawaii; Hawaii Pacific Solar LLC; Hawaii Solar Energy Association; First Wind; Sunrun; SunEdison; Hawaii PV Coalition; Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company; Hawaii Renewable Energy Alliance; and Blue Planet Foundation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the provisions establishing a regulatory financing structure that provides low-interest loans for green infrastructure property;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 497, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 497, H.D. 3.

Signed by all members of the Committee.

SCRep. 922 Finance on H.B. No. 1459

The purpose of this measure is to authorize the State to form the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to more effectively manage the administration and financing of the current and potential future employee health benefit obligations of the State and county governments.

The General Contractors Association testified in support of this measure. The Department of Commerce and Consumer Affairs, Department of Budget and Finance, and the State Procurement Office provided comments on this measure.

Your Committee notes that this measure, while well intended, is a work in progress. Accordingly, other methods of addressing the current and potential future employee benefit obligations of the State and county governments should also be considered, including by conducting a feasibility study on the potential implementation of this measure.

Your Committee has amended this measure by:

- (1) Specifying that this Act shall be known and may be referred to as the "Health Unfunded Liability Action or HULA Plan";
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1459, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1459, H.D. 2.

Signed by all members of the Committee.

SCRep. 923 Finance on H.B. No. 357

The purpose of this measure is to reduce the adverse impact of single-use checkout bag waste on Hawaii's natural environment, including through preserving and protecting Hawaii's watersheds and freshwater supply by establishing the Single-Use Checkout Bag Fee Program to, among other things:

- (1) Require certain businesses in the State to collect a 10 cent fee effective January 1, 2014, for single-use checkout bags that are provided to customers excluding those customers participating in federally approved nutrition assistance programs;
- (2) Increase the fee charged for single-use checkout bags to 25 cents effective January 1, 2017, if the Department of Health has found that the distribution of single-use checkout bags has not decreased by at least 75 percent by July 1, 2016;
- (3) Allow businesses to retain a specified amount of the fees collected to reimburse costs associated with implementing the Program; and
- (4) Allocate fee revenues to the Department of Health to reimburse administrative costs and to the Department of Health and the Department of Land and Natural Resources to fund programs to mitigate the environmental effects of single-use checkout bags.

The Office of Hawaiian Affairs; Department of Land and Natural Resources; an individual councilmember of the Hawaii County Council; Environmental Center of the University of Hawaii; Oahu Invasive Species Committee; Kauai Watershed Alliance; Sustainable Island Products, LLC; Coordinating Group on Alien Pest Species; Surfrider Foundation; Ben Dyre Family Ltd. Partnership; MauiGrown Coffee, Inc.; Hawaii Invasive Species Council; The Nature Conservancy; Jurassic Kahili Ranch; Conservation Council for Hawaii; Hawaii Green Growth Initiative; Slow Food Oahu; West Maui Mountains Watershed Partnership; Sierra Club, Hawaii Chapter; League of Women Voters of Hawaii; Princeville Utilities Company, Inc.; Sustainable Coastlines Hawaii; and numerous individuals provided testimony in support of this measure. Retail Merchants of Hawaii, Verizon, and an individual provided testimony in opposition to this measure. The Department of Health, Tax Foundation of Hawaii, and Hawaii Food Industry Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing to unspecified the amounts of the fees charged per single-use checkout bag;
- (2) Changing to unspecified the amounts of the fees collected to be expended by the Department of Health for administrative and enforcement purposes;
- (3) With respect to fee percentages required to be deposited into specific funds of the Department of Health and Department of Land and Natural Resources, deleting the percentage amounts;
- (4) Deleting the amount of the appropriation; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee finds that it may be prudent to remove the punitive portions of this measure as its purpose is to encourage a reduction in the use of non-reusable products and it is not primarily intended to serve a punitive function.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 357, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 357, H.D. 3.

Signed by all members of the Committee.
(Representatives Jordan, Takayama and Fukumoto voted no.)

SCRep. 924 Finance on H.B. No. 174

The purpose of this measure is to inform consumers about the presence of genetically engineered organisms as foods or food ingredients, by, among other things:

- (1) Requiring that genetically engineered imported produce is properly labeled if available for sale or distribution;
- (2) Making the labeling of genetically engineered produce a condition and requirement for importation into the State;
- (3) Authorizing the valid labeling of non-genetically engineered foods; and
- (4) Creating a private cause of action for mislabeling of non-genetically engineered foods.

An individual councilmember of the Kauai County Council; an individual councilmember of the Hawaii County Council; the Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Malama Ka Aina Farm; Animal Rights Hawaii; Earthjustice; Hawaii SEED; GMO Free Kauai; GMO Free Maui, GMO Free Oahu, GMO Free Big Island; Roberta Oaks, Hawaii LLC; Label It Hawaii; Goldielocks Grinds with Yogarden LLC; Sierra Club, Hawaii Chapter; North Kohala Community Development Plan Agriculture Subcommittee; The Aloha Revolution; Ai Pohaku - the Stone Eaters; and numerous individuals provided testimony in support of this measure. The Department of Agriculture; Department of Health; DuPont Pioneer; The Chamber of Commerce of Hawaii; Molokai Chamber of Commerce; Molokai Farm Bureau; Hawaii Food Industry Association; Hawaii Cattlemen's Council; W.H. Shipman, Limited; Monsanto Molokai; Monsanto Hawaii; Grocery Manufacturers Association; Maui County Farm Bureau; and a few individuals provided testimony in opposition to this measure. Times Supermarkets; Hawaii Organic Farming Association; Down to Earth; Babes Against Biotech; and several individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 174, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 925 Finance on H.B. No. 222

The purpose of this measure is to appropriate funds for the operating and capital improvement costs of the Office of Hawaiian Affairs for fiscal years 2013-2014 and 2014-2015.

The Office of Hawaiian Affairs (OHA), Association of Hawaiian Civic Clubs, Sovereign Councils of the Hawaiian Homelands Assembly, Sovereign Moku-puni Council o Oahu, Kewalo Hawaiian Homestead Community Association, Waianae Kai Homestead, and Nanakuli Homestead supported this bill.

Your Committee recognizes the importance of supporting programs for Native Hawaiians. OHA has received national recognition for its success in implementing the Health Advocacy Initiative and Native Hawaiian Health Consortium. Your Committee has, therefore, appropriated \$400,000 in both general and trust funds for health-improvement programs to allow OHA to broaden its impact on the community.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 222, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 222, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 926 Finance on H.B. No. 197

The purpose of this measure is to appropriate funds for the operating and capital improvement costs of the Judiciary for fiscal years 2013-2014 and 2014-2015.

The Judiciary, Office of the Prosecuting Attorney of the County of Hawaii, Hawaii Access to Justice Commission, Hawaii State Bar Association, Legal Aid Society of Hawaii, Volunteer Legal Services Hawaii, West Hawaii Bar Association, Hawaii Disability Rights Center, Hawaii Justice Foundation, Gay Lesbian Bisexual and Transgender Caucus of the Democratic Party of Hawaii, Hawaii State Coalition Against Domestic Violence, Mediation Center of the Pacific, Child & Family Service, and numerous concerned individuals supported this bill. The Domestic Violence Action Center and a concerned individual submitted comments.

During the Regular Session of 2009, the State was faced with a \$1,100,000,000 deficit. To meet this loss of funding, Act 85, Session Laws of Hawaii (SLH) 2009, was enacted "to reduce the salaries and leaves of absence of certain members of the executive, legislative, and judicial branches, beginning July 1, 2009 until June 30, 2011." However, during the Regular Session of 2011, Act 57, SLH 2011, extended the salary reduction and freeze to December 31, 2013, until Act 48, SLH 2012, effectively ended the pay freeze on June 30, 2013. Accordingly, your Committee has provided \$4,465,777 to restore all judges' salaries.

Your Committee supports the Judiciary's efforts to increase services to the public and has provided one position each for the Juvenile Probation Violator's Weekend Program (JPVWP) and the Juvenile Restitution Program (JRP). The JPVWP allows the Judiciary to send probation violators to weekend classes at the Alder Street facility in Honolulu as opposed to sending every violator to the Kapolei detention facility. The JRP is intended to link youths with local businesses to help youth probation violators to begin paying restitution. Additional support for Hawaii Children's Justice Centers on the Neighbor Islands was also given. The current process of contracting with private providers to interview children who are victims of or are affected by domestic violence, custody or safety issues has resulted in delays in services, often for weeks. Therefore, your Committee has provided four positions and \$282,000 over the fiscal biennium to bring the services in-house to help ensure more timely delivery.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 197, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 197, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 927 Finance on S.B. No. 1174

The purpose of this measure is to make emergency appropriations for costs associated with the operations of the Office of the Lieutenant Governor for fiscal year 2012-2013. Specifically, this measure appropriates:

- (1) \$126,690 to be used by the Office of the Lieutenant Governor for personnel expenses;
- (2) \$85,654 for the purpose of providing protective services for the Lieutenant Governor; and
- (3) \$105,000 for building renovation, infrastructure and equipment, and other costs related to the operations of the Office of the Lieutenant Governor.

The Office of the Lieutenant Governor, Department of Accounting and General Services, and Department of Public Safety supported this measure.

This measure has been recommended by the Governor in Governor's Message No. 209 for immediate passage in accordance with Article VII, Section 9, of the Hawaii State Constitution.

Your Committee finds that the recent appointment of Senator Brian Schatz to the United States Senate and the subsequent succession of former Senate President Shan S. Tsutsui to the Office of the Lieutenant Governor resulted in unanticipated transition costs.

The current budget for fiscal year 2012-2013 for the Office of the Lieutenant Governor does not provide sufficient funds to:

- (1) Continue staffing the Lieutenant Governor's Office;
- (2) Train Department of Public Safety personnel and provide protection on Maui for the Lieutenant Governor; or
- (3) Fund other operational costs relating to the Office of the Lieutenant Governor.

Your Committee therefore finds that additional funding is necessary to enable Lieutenant Governor Tsutsui to perform his obligations and duties.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1174, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 928 Finance on H.B. No. 200

The purpose of this measure is to appropriate funds for the operating and capital improvement costs of the Executive Branch for fiscal year (FY) 2013-2014 and FY2014-2015.

In total, this budget appropriates \$5,974,492,419 in general funds and \$11,576,450,691 in all means of financing for FY2013-2014; and \$6,068,183,138 in general funds and \$11,673,961,982 in all means of financing for FY2014-2015.

The Office of the Governor; Department of the Attorney General; Department of Accounting and General Services; Department of Human Services; Department of Commerce and Consumer Affairs; Department of Human Resources Development; Department of Hawaiian Home Lands; Department of Transportation; Hawaii Public Housing Authority; Office of Information Management and Technology; Department of Land and Natural Resources; Adjutant General; Department of Agriculture; Department of Public Safety; Department of Health; Department of Taxation; Public Utilities Commission; Hawaii Housing Finance and Development Corporation; Executive Office on Early Learning; Executive Office on Aging; Hawaii Health Systems Corporation; Office of the Prosecuting Attorney of the County of Hawaii; Hawaii Public Charter Schools Network; Hawaii Open Data; Hawaii Family Support Institute; Sovereign Moku-puni Council o Oahu; Holomua Na Ohana; Waianae Kai Homestead; Nanakuli Homestead; Sovereign Councils of the Hawaiian Homelands Assembly; Catholic Charities Hawaii; Partners In Care: Oahu's Coalition of Homeless Providers; Hawai'i Appleseed Center for Law and Economic Justice; Family Life Center; The Nature Conservancy of Hawai'i; Child and Family Service; Hawa'i Community Foundation; Kaua'i Community Alliance; Harold K. L. Castle Foundation; Hawai'i Invasive Species Council; Kaiser Permanente Hawaii; and numerous concerned individuals testified in support of this measure. The Judiciary; Department of Education; Department of Business, Economic Development, and Tourism; SEEQS: The School for Examining Essential Questions Of Sustainability; and a concerned individual provided comments.

RESTRUCTURING AND REPRIORITIZING

The need for many programs that serve the public has grown over four years of austerity. Expectations for restoring funding are high, as demonstrated in the Administration's budget submittal. On June 30, 2012, the State of Hawaii collected \$5,660,600,000 in total revenue and ended FY2011-2012 with a balance of \$275,300,000.

Revenue collections for the State have finally reached and exceeded the amount of revenues collected in FY2007-2008, prior to the Great Recession, with positive ending balances increasing over the last two years. The projected ending balance for FY2012-2013 of \$392,100,000 could further strengthen the State's financial condition.

The Governor submitted a budget proposal that appropriates:

- (1) \$6,101,300,000 for FY2013-2014; and
- (2) \$6,288,400,000 for FY2014-2015.

When combined with the budgets of the other branches of government in the State, proposed expenditures exceeded the Council on Revenues' September 10, 2012, tax and non-tax revenue projections of:

- (1) \$5,973,700,000 for FY2013-2014; and
- (2) \$6,245,600,000 for FY2014-2015.

Although on January 3, 2013, the COR revised its revenue projections upward:

	<u>09/15/13</u>	<u>01/07/13</u>
FY2013-2014	3.9%	6.8%
FY2014-2015	5.0%	6.2%

proposed total expenditures continued to exceed total revenues in FY2013-2014. Your Committee notes that although projected revenues exceed proposed expenditures in FY2014-2015, the margin is very slim:

	<u>Revenues</u>	<u>Expenditures</u>
FY2013-2014	\$6,140,200,000	\$6,280,900,000
FY2014-2015	\$6,492,900,000	\$6,469,400,000

Indicators from various economic forecasts illustrate an uncertain fiscal trend in the future. For example:

- At its meeting on January 3, 2013, the COR increased revenue projections for the upcoming fiscal biennium by \$403,300,000, citing the increasingly robust visitor industry and overall expansion in the rest of the economy. Yet, in the same report the COR remained uncertain about the impact on tax collections of:
 - Future claims for the renewable energy tax credit, the cost of which has grown from \$3,100,000 in 2004 to \$30,900,000 in 2010 and may reach \$173,800,000 in 2012; and
 - The net effect of various changes made to the tax law during the last three years that may affect how taxpayers respond and conduct their business.
- The University of Hawaii Economic Research Organization (UHRO), in its February 15, 2013, State forecast update, "Expansion Shifts Into High Gear" noted that, "By now we all know that 2012 was a banner year for Hawaii tourism. By some measures, it was also the most positive year for the broader economy since the mid-2000s." However, in the same report, UHRO warned that economic growth will "ease somewhat over the next two years, as a tapering off of visitor industry gains offsets expansion in construction and continued recovery in public sector employment."
- The Department of Business, Economic Development, and Tourism's (DBEDT) quarterly report issued on February 22, 2013 confirmed that Hawaii's major economic indicators are trending upward, and that due to "the performance of Hawaii's tourism industry, the labor market conditions in the State, and growth of personal income and tax revenues, Hawaii's economy is expected to continue positive growth in 2013 and 2014." However, in the same report, DBEDT's job-growth projections for 2015 and 2016 are 1.7 percent and 1.5 percent, respectively, indicating a slight deceleration in the rate of growth.

Your Committee is cognizant of the fact that the Administration's financial plan depended on revenue enhancements which allowed the Executive Branch to submit a budget that exceeded the COR's projected revenue collections. However, the Legislature may not adopt the same approach of relying on such uncertain revenue proposals. With questions surrounding federal sequestration and its impact on the State's economy, the COR's March 13, 2013, speculative future revenue forecast could bring even more uncertainty to the future economic stability of the State. Furthermore, future collective bargaining costs remain unknown at this time.

Therefore, your Committee has approached this budget not with the goal of simply restoring funds for programs impacted in the past, but instead undertook a cautious approach and accepted the challenge to develop the budget as an opportunity to:

- (1) Provide structural stability to the State's financial plan;
- (2) Increase transparency, efficiency, and accountability in government;
- (3) Restructure and reprioritize government services; and
- (4) Create an evolving, sustainable, robust economy.

DEPARTMENT SUMMARIES

Your Committee acknowledges the efforts of the Department of Budget and Finance, as detailed in Finance Memorandum 12-12, to construct a budget with limited resources. After four years of severe budget cuts, the method set forth in making internal transfers may be the only way to restore previously cut programs. However, your Committee believes that the transfers initiated revealed opportunities to explore alternative approaches to budgeting that can be implemented to transform services and programs that serve the public. The trade-offs and transfers replete in the budget provide the legislative and executive branches a rare opportunity to restructure and reprioritize programs and services in a collaborative manner.

In general, your Committee is concerned with an approach to budgeting which asserts that departments should be entitled to their base funding levels, rather than allowing those excess appropriations to be made available to support higher-priority programs and services on a statewide basis. Budgetary accountability and transparency for the public regarding how and where state funds are expended is critical to your Committee. An integral step in the budgeting process is the communication of these expenditures to the Legislature. Total vacancies across all state departments currently represent \$168,000,000 in all sources of funds, funds which remain with the departments for their use. Your Committee pursued a more transparent accounting of these savings obtained from vacancies. In an effort to track this funding, your Committee has removed all general funded positions that have been vacant prior to December 31, 2011. Let it be understood that positions and funds for positions that have been vacant for fewer than 12 months, beginning on January 1, 2012, remain with the departments, and represent over \$50,000,000 in general funds alone. We thank the departments for supplying this information on vacant positions to your Committee and are hopeful that this effort to transform budgeting, however incrementally, will help create a more efficient government that is able to fully deliver services to the public.

Office of Information Management and Technology

The new state Office of Information Management and Technology (OIMT) unveiled its statewide Business Information Technology/Information Resource Management Transformation Plan to revolutionize all state department programs and functions over the next 12 years. The Department's plan is to consolidate the State's existing information-technology infrastructure, enhance security and privacy, and develop shared services functions across individual state departments.

Your Committee has recognized the importance of modernizing antiquated systems in our dynamic, information-centric world, and the critical nature of providing continued support for the OIMT as it enters the implementation phase. However, your Committee also recognizes that it would be irresponsible to begin development on all technology initiatives simultaneously, from both a fiscal and implementation perspective. Therefore your Committee appropriated \$7,900,000 in FY2013-2014 for a reasonable rollout of information-technology systems. Though a less aggressive approach than that proposed by OIMT, your Committee believes this funding reflects a more reasonable timeframe and builds on successful implementations as they are executed while focusing on the most urgently needed initiatives. Your Committee is also concerned with the framework of costs proposed by OIMT, which reflects a private-sector budgeting approach, specifically using federal and market salary rates rather than the State's salary structure for positions. Salary appropriations up to 50 percent over current civil-service pay scales were requested. Accepting the limits of the State's public-service system and the present fiscal condition is imperative in planning this new state agency, and your Committee's finely scrutinized appropriation aims to ensure a successful IT transformation. As a result, all positions and salaries requested by OIMT were adjusted to state civil-service levels.

Department of Accounting and General Services

Your Committee understands that until the new information-technology systems are fully implemented, Hawaii will continue using existing systems that keep government functioning. Your Committee provided \$199,968 in FY2013-2014 and \$167,936 in FY2014-2015 to maintain the vital mainframes of various core governmental systems.

Recognizing the importance of preserving historical documents and materials, \$162,500 was appropriated in FY2013-2014 for the digital archives project at the Hawaii State Archives. Additional personnel and funding of \$96,724 in FY2013-2014 and \$49,048 for FY2014-2015 were also appropriated for the comprehensive annual financial report in order to assure timely completion.

To ensure adequate insurance coverage for major disasters, your Committee has provided \$3,000,000 in FY2013-2014 for risk management. Your Committee also recognizes the Department's need to replace its aging vehicles on the Neighbor Islands, and has thereby provided \$300,000.

Department of Agriculture

The Department of Agriculture plays a vital role in Hawaii's economy. For this biennium, the Department continues to focus on restoring services cut during the 2009 reduction in force and strengthening programs related to local-food sustainability. Your Committee funded 19 critical specialist and inspector positions to help control the spread of invasive species throughout the State. An additional four inspector positions and funds were approved to revive the detector dog program on Oahu. Additional funding for personnel that provide specialized testing for livestock was approved for the Veterinary Laboratory.

To manage increases in capital improvement projects for irrigation systems and agricultural parks, your Committee approved funding for five engineers to focus on improvements to pastures and the expansion of the Kunia irrigation system.

Recognizing that food security is a growing concern in Hawaii, your Committee addressed the need to strengthen local agricultural production. Funding was approved for programs such as the New Farmer Loan Program, Good Agricultural Practices Task Force, and the Agricultural Innovation Initiative. These programs will spur the development of new farming technology and methods.

Department of the Attorney General

The Department of the Attorney General provides vital services as the State's primary legal counsel, including the maintenance of different criminal-justice data systems that assist the Department and other law-enforcement agencies in the effective performance of their duties. In order to maintain the integrity of these systems and to ensure that timely information is made available to law enforcement, your Committee has approved funding requests of \$152,000 in FY2013-2014 and \$225,000 in FY2014-2015 for the Juvenile Justice Information System (JJIS), Automated Fingerprint Identification System (AFIS), and Facial Recognition System (FRS). The JJIS contains all information on juvenile records and runaway or missing children. The AFIS and FRS are used on-site by law-enforcement agents to conduct criminal background checks using both fingerprints and photo identification.

Department of Business, Economic Development and Tourism

The Department of Business, Economic Development, and Tourism unveiled plans to support the Hawaii Clean Energy Initiative. Each project will support the Department's mission of improving the economic well-being and efficiency of the state. Your Committee recognizes the importance of energy conservation and supporting sustainability statewide by providing a biennium total of \$1,959,007 toward Energy Efficiency Strategic Plan programs and funding 24 positions previously American Recovery and Reinvestment Act (ARRA) funded to help reach the Department's goal of using 70 percent clean energy by the year 2030.

Funding is also provided to resume data collection and economic reporting. Many state departments and agencies rely on information generated from these reports, and the collection of current data will provide these entities with more accurate measures of economic performance.

Department of Budget and Finance

Your Committee continues to address the issues that encompass the state's growing unfunded liability for Other Post Employment Benefits (OPEB). The June 30, 2012, OPEB actuarial valuation of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) calculates the State portion of the unfunded actuarially accrued liability as \$13,566,836,000. To transition from the current pay-as-you go funding plan, and begin pre-funding the State's OPEB liability, \$100,000,000 is provided for FY2013-2014 and \$105,500,000 for FY2014-2015. Pre-funding will allow for increased flexibility in the allocation of budgeted resources to other state projects and provide potential cost savings during fiscal years that produce less revenue. Pre-funding may also prevent reductions in the State's credit rating.

To create more efficient government functions, funding for the state's Enterprise Resource Planning (ERP) project has necessitated the imposition of additional security and transparency measures for investment plans and plan-related functions. Seven positions are being provided to supplement several departments, in which personnel will be deployed to work on various ERP tasks. A total of \$12,200,000 over the biennium for additional staff support and contracts is provided for risk assurance and assessments for OPEB and ERP implementation.

In addition, the Public Utilities Commission (PUC) is being provided with \$2,298,000 in the first year of the biennium for office renovation and expansion. This upgrade will provide enough space to accommodate upcoming PUC re-organization plans aimed at helping the PUC meet its operational commitments.

Department of Commerce and Consumer Affairs

Continuing with its mission to provide fair oversight and regulation of businesses and to provide consumer protection and dispute-resolution services, the Department has made modest requests this biennium. The Department is known to be frugal with expenditures.

Your Committee does recognize the potential returns in the captive-insurance industry, and thus provided extra support to regulate and promote more captive-insurance companies statewide. Continuation of the Mortgage Foreclosure Dispute Resolution Program is being supported with an appropriation of \$306,461, reflecting the increase in mortgage fraud and other disputes between lenders and owners.

Department of Defense

Your Committee recognizes the urgent need to support our veterans and has appropriated monies to the Office of Veterans Services to fund counselors and other increased resources and services for veterans statewide.

The importance of Hawaii as a strategic military location at the center of the Pacific is well-established. Therefore, \$281,544 in general funds to match \$844,661 in federal funds were approved for each fiscal year to house and maintain F-22 fighter jets and train its pilots.

Recent problems with tsunami warning sirens have alerted the public to Hawaii's aging siren-warning system. The importance of maintaining and upgrading sirens to alert residents and visitors of incoming natural threats led your Committee to appropriate \$100,000 in general funds and \$225,000 in special funds in each fiscal year to upgrade the statewide siren-warning system.

The Legislature restored the Tuition Assistance Program last year. Your Committee recognized the critical incentive this represents and has appropriated \$150,000 in both fiscal years to reinstate cuts and to return the program to its 2008 funding levels.

Department of Education

Tasked with providing an affordable, fair, and nationally competitive education to the children of Hawaii, the Department of Education currently has the largest general fund budget of any state department at \$1,385,828,619.

Your Committee has appropriated additional funding for three areas. The largest addition of \$12,857,918 is for the Weighted Student Formula (WSF). The funds appropriated to WSF directly serve children in the classroom. Moreover, \$1,000,000 was appropriated for the development of a Common Core assessment test in the Hawaiian language meant to serve approximately 340 students enrolled at 14 Hawaiian immersion schools across the State. Hawaiian language is recognized as an official language of the State, and your Committee supports the development of this test and the strengthening of Hawaiian-language education. Finally, \$271,014 was appropriated for assistant coaches' stipends.

During this session, the Department has requested what amounts to an internal re-allocation of roughly \$47,481,150 in FY2013-2014 and \$55,361,601 in FY2014-2015, purportedly to fund high-priority initiatives and reflect existing expenditures. Your Committee finds it troubling, however, that the Department indicated that these re-allocations have been in effect for two years prior to this request for approval of the transfer of funding. Due to the lack of justification for these re-allocations, coupled with an indication that the Department has excess funding, your Committee has elected to accept the reductions listed in the Department's budget request but has denied the additions.

The Department of Education has also requested 197 new positions in FY2013-2014 and 211 positions in FY2014-2015 that are to be internally funded. The salaries for these positions total approximately \$9,500,000 in general funds. Your Committee was surprised to hear that the Department was able to find the necessary funding within its current means to fund these positions. However, due to a lack of justification for many of the new positions requested, only a portion of the request was funded. Your Committee looks forward to continued dialogue with the Department to assist them in transparent accounting, as the goal is truly to benefit the young students of Hawaii.

Libraries

The Hawaii State Public Library System has not received additional general funds for materials such as library books and e-books for the past four years. As such, your Committee is taking the necessary steps to support Hawaii's public libraries by appropriating additional funding for library materials.

Charter Schools

As oversight of charter schools transitions from the Charter School Administrative Office (CSAO) to the Public Charter School Commission (PCSC) after the current fiscal year, continuing scrutiny is essential to ensure continued accountability. Enrollment estimates have been larger than actual numbers, prompting your Committee to reassess future allocations to the Charter Schools. As an example, last year the CSAO requested funding for a total of 10,431 students projected to be enrolled in charter schools statewide. However, as indicated by the CSAO's budget testimony, student enrollment for the current school year is only 9,820. As such, your Committee finds the new projections of 11,431 students for FY2013-2014 and 12,222 students for FY2014-2015 unlikely. Given the dearth of information provided by the CSAO, your Committee recommends that charter schools receive per-pupil funding based upon last year's projection of 10,431 students. The correct per pupil enrollment amount is important, since the Charter schools are funded on a proportionate amount which is allotted to the DOE.

Department of Health

Your Committee recognizes and values the great diversity of services performed by the Department of Health, and the services provided by the State Laboratory, and has appropriated \$271,240 in general funds in FY2013-2014 and \$244,040 in FY2014-2015 for eight specialized equipment items. Five of these items will be used by the Environmental Microbiology Shellfish Testing Program to support the local shellfish industry as part of their efforts

to become certified by the U.S. Federal Drug Administration to export local shellfish products. Other items include matrix-assisted laser desorption/ionization mass spectrometry to help identify bacterial causes of outbreaks more quickly and less expensively and two gas chromatograph mass spectrometers, which detect and provide a legally defensible confirmation of all classes of compounds for the Environmental Health Analytical Services Branch.

Your Committee recognizes the significant influence of environmental health programs on public health. Eight vector-control workers and \$443,520 will be added to increase surveillance at state ports of entry in Hilo, Kona, Maui and Oahu, and eight new positions and funds will be added to address the high number of food-safety violations on Oahu. With the increased popularity of free-standing food trucks, public confidence in the safety of its food sources is imperative. Your Committee also provided funds for seven environmental-health specialists and engineers and appropriated related funds to administer programs on water quality, water reuse, greenhouse-gas emissions, air pollution, and clean-water regulations. \$150,000 in general funds in FY2013-2014 was approved to continue development of a searchable database for environmental assessments and environmental impact statements.

The Department of Health's requests to transfer positions and funds is a continuing concern for your Committee. Transfer requests were not approved by the Legislature in 2012 due to the lack of critical structural details in the Department's strategic plan, "Foundations for Healthy Generations." The Department's submittal of a five-year financial plan as required by law to the Legislature in January 2013 lacked an explanation of how the Department's movement of funds and positions justifies its extensive, multiple, and prolonged internal reorganization initiatives and any financial plan. Accordingly, this situation led your Committee to adopt a conservative approach, approving only part of their transfer requests for the FY2013-2015 biennium.

The Department requested funds to reinstate programs that were previously cut. However, your Committee hesitates to provide funding for programs that were eliminated due to insufficient oversight, inefficient administration, ineffective outcomes and most importantly duplicative of services already provided by the Department of Human Services. Requests were also made by the Department for general funds to replace federal funds out of threat of sequestration. However, plans are already in place to address sequestration outside of this budget and in coordination with the executive branch. As such, replacing those federal funds with general funds at this time may be speculative and could result in duplicative funding.

Hawaii Health Systems Corporation

Your Committee has approved the addition of \$800,000 in general funds in FY2013-2014 and FY2014-2015 for the Hale Makamae Program at Kula Hospital on Maui. This program serves medically fragile, severely physically disabled, and developmentally disabled patients on the islands of Hawaii, Maui, and Oahu. These patients are bedbound and unable to participate in activities of daily living without trained assistance. The funds will be used to subsidize a recurring operating deficit due to unreimbursed Medicaid losses. Your Committee has also increased the special fund ceiling by \$1,000,000 in FY2013-2014 and FY2014-2015 for Alii Community Care Inc. to subsidize an operating deficit for Maui's assisted-living facility, Roselani Place, and for clinics and physician practices in Kona's Alii Health Center. Roselani Place provides care to elderly individuals who need help with daily tasks but do not need the restrictive and full-time health care services of a nursing home.

Department of Hawaiian Home Lands

The Department of Hawaiian Home Lands (DHHL) is charged with the responsibility of planning and development of Hawaiian homesteads. Pending in the Hawaii Supreme Court is Nelson v. Young, Civil No. 07-1-1663-08 BIA, which is yet to be remanded to the Circuit Court for determination of the amount that constitutes "sufficient sums" for DHHL's administrative and operating expenses.

The Committee strives to make clear that any funding decision it makes should not be interpreted by any party in the Nelson litigation, or by the Court, as legislative intent to determine the amount deemed as "sufficient." To the contrary, the Committee awaits the Court's decision to determine the sufficiency of funding to DHHL for administrative and operating expenses. However, while the court decision is pending, the Committee will appropriate a lump sum of \$10,000,000 in each fiscal year for DHHL for administrative and operating expenses.

Department of Human Resource Development

Your Committee has responded to the Department's requests for more staff to coordinate hiring of civil-service positions. Your Committee has agreed to fund four positions and \$295,278 to address the backlog of departmental requests to fill vacant state positions. Your Committee has also appropriated \$457,000 in FY2013-2014 and \$545,000 in FY2014-2015 in general funds to fund the increased cost of state workers' compensation claims.

Department of Human Services

Your Committee acknowledges that the critical programs of the Department of Human Services assist needy individuals and families through social services benefits, health care, and other services. With the largest budget in the state at \$2,400,000,000 in FY2013-2014, administering social services to a growing number of individuals in an increasingly austere fiscal environment is challenging. With the implementation of the federal Affordable Care Act (ACA) scheduled to begin on January 1, 2014, increasing health care costs are inevitable. The ACA is intended to ensure that health coverage is universal, and as such requires increased expenditures by the states. ACA-related requests within the Department exceed \$80,000,000 over the biennium.

The most pressing cost element within the Department is Medicaid, the health plan of 23 percent of Hawaii residents, close to one in four individuals. The Department requested \$207,000,000 in general funds to cover Medicaid increases for the biennium, bringing the total cost of health care payments to \$4,009,721,975 over the biennium, \$1,781,864,231 of which represents general funds. Recent efforts to manage Medicaid costs with benefit-package modifications forecasted to save the state more than \$35,000,000 in general funds over a two-year period were not implemented as planned and approved by the Centers for Medicare and Medicaid Services. Hawaii offers a Medicaid benefits package that is among the nation's most generous. Your Committee finds growth in Medicaid without an accompanying effort in managing costs to be unsustainable. Therefore, requests for Medicaid increases were funded at the FY2013-2014 level for both fiscal years, an increase of \$97,885,365 in general funds, to allow the legislature an opportunity to address this important issue during the interim. It is important to note that with Medicaid costs continuing to increase, the available funds for other government programs and services statewide will be compromised.

Your Committee provided a total of \$1,929,566 in general funds over the biennium for additional staff and support in the Office of Youth Services, Youth Community Service Centers, Juvenile Justice Program, and Juvenile Parole Program. These additions recognize the importance of investing in youth at a social level by which they can function and transition fluidly into adulthood.

Lastly, to address issues relating to homelessness, your Committee appropriated monies for ten personnel and federal funds for asset management projects by the Hawaii Public Housing Authority. This includes \$500,000 over the biennium for repair and maintenance at state-owned public housing shelters located at Kalaeloa, Oahu.

Department of Labor and Industrial Relations

In an effort to restore support to one of this Department's largest divisions, 14 additional positions and \$732,000 in special funds lost during the reduction in force of FY2009-2011 are being provided to the Disability Compensation Division (DCD) for the biennium. These positions will reduce the current 11-month processing time within the DCD to 6.5 months and will benefit individuals across the state involved in work-related incidents. The DCD, as well as the Workforce Development Division, Unemployment Insurance Division, and Hawaii Occupational Safety and Health Program, are currently at high risk of federal budget cuts due to sequestration. Your Committee recognizes the need to restore reduced positions and allowed for the transfers of positions to support formerly federally funded programs.

Department of Land and Natural Resources

Hawaii's natural land and water resources are the lifeblood of our community. For the biennium, the Department of Land and Natural Resources requests project funding for the Watershed Initiative to maintain and preserve statewide forests, wildlife, beaches, and water resources and also to detect and remove invasive species. Your Committee recognizes the importance of projects that preserve our natural resources and provided funding for 11 personnel and appropriated \$8,500,000 to the Natural Area Reserve Special Funds.

In addition, \$50,000 and \$250,000 each year is being provided to compensate for decreased levels of federal funding and to continue restoration efforts to the Papahānaumokuākea Marine National Monument and Kure Atoll Wildlife Sanctuary, respectively. General funds are also being provided in the sum of \$150,000 per year to the Recreational Fisheries branch to support the rearing of rainbow trout for the Kokee public fishing area on Kauai, maintenance of artificial reefs, tag and release of marine species, and for Maui-Oahu marine resource assessments. Two positions were approved to support the increase to Kauai state park usage of camp grounds and to provide for partial restoration of labor reductions suffered by the division over the past decade.

Your Committee agrees with the consolidation of several of the Department's branches to allow for greater efficiency. The Anuenue Fisheries Research Center and the Fisheries divisions will consolidate, as will the Aquatic Resources Information and Education Branch and Fisheries Branch into Administrative Fisheries. This restructuring is intended to increase organizational productivity and reduce the duplication of services, though no physical changes or relocations are anticipated as a result of these consolidations.

Office of the Lieutenant Governor

The Office of the Lieutenant Governor is in a unique budget situation as the currently appointed Lieutenant Governor has primary residence on the island of Maui. In order to foster the establishment of a satellite office for the Lieutenant Governor on his home island, the Committee has appropriated \$272,380 in general funds for additional operating expenses.

Department of Public Safety

Your Committee continues to support the Justice Reinvestment Initiative (JRI) that brings Hawaii's inmates home from out-of-state facilities and has approved the transfer of funds currently budgeted for out-of-state correctional facilities to increase bed capacity, security, and services for returning inmates and to streamline the correctional process. Accordingly, your Committee has authorized nine positions to provide adequate security and intake services for the projected increase in inmates returning from out-of-state facilities.

In previous years, resources committed to the State's prisons were frozen to their great detriment. Recognizing that rising utility costs have not been funded since 2007, your Committee has provided \$3,312,305 in FY2013-2014 and \$3,491,253 in FY2014-2015 for these essential expenses. As with utility costs, transportation and food budgets also have not seen increases for many years. In response your Committee recognized the need to meet basic requirements of the Department by funding requests for four new vehicles and \$910,338 in FY2013-2014 and \$946,751 in FY2014-2015 for the projected increase in the cost of food.

Your Committee is also aware that the State's decades-old correctional facilities are in dire need of repair and maintenance and looks forward to the results from a study currently in process that reviews the facilities' needs.

Department of Taxation

The Department of Taxation is seeking to upgrade its current tax system with the Tax System Modernization project, a five-year program that will result in increased efficiency of electronically filed taxes and tax processing while also reducing operating costs. Twelve positions and \$1,308,404 in FY2013-2014 and \$2,529,476 in FY2014-2015 were approved to support the tax modernization project.

Department of Transportation

Your Committee recognizes the daily significance of a well-maintained transportation infrastructure for the benefit of the State. Therefore, all special maintenance and regular maintenance requests were approved. Since safe passage on the highways and in the harbors is a daily concern of the State, requests for street sweepers, bridge cleaning and repair equipment, and motor vehicles to support maintenance of these conduits of public transit were approved. Understanding that airports are the first and last places visitors experience in Hawaii, your Committee has also agreed to the addition of 32 janitor positions for Honolulu International Airport, a janitor supervisor for Kona International Airport, and an airports-administrator to provide continuity and professional expertise to the appointed deputy director of airports. Because the Airports Division also leases space to revenue-producing ventures, your Committee has approved special funds to support property-manager responsibilities to meet an increasing need for these functions. The Aloha Tower Development Corporation has been a complicated issue for your Committee in the past. As the partnership with Hawaii Pacific University continues to develop, your Committee supports this long-awaited movement toward committed investment in Aloha Tower by adding an administrative professional to manage the project. Your Committee has also approved special funds for a consulting contract for a Highways State Safety Oversight Agency that will work with the new rail-safety oversight officer at the Honolulu Authority for Rapid Transit on the Honolulu Rail Transit project.

University of Hawaii

Acknowledging a changing learning model that encourages virtual learning environments, your Committee provided \$780,000 in FY2013-2014 for an assessment on improving distance-learning courses. In addition, \$850,000 was provided to the Native Hawaiian Center of Excellence at the John A. Burns School of Medicine for each year, which has recently lost federal funding. This appropriation reinforces your Committee's commitment to diversity and equal opportunity at the State's only medical school. Committed to the mission of the University of Hawaii at West Oahu to serve the students of leeward Oahu, your Committee provided \$1,000,000 in each fiscal year for operating costs for the newly opened campus. The sum of \$2,000,000 was appropriated for the community colleges in each fiscal year, which represent an important gateway to four-year degrees and which have experienced significant growth in enrollment as the economy continues to recover. Recognizing the importance of preserving diversity in services, one position and related funds were approved for a librarian specializing in Okinawan materials for the University of Hawaii at Manoa campus.

CAPITAL IMPROVEMENT PROGRAM

Despite the increase in revenue collections and strengthening FY ending balances, your Committee acknowledges that construction and service industries have not yet returned to FY2007-2008 levels. Accordingly, your Committee has provided \$798,530,000 in general obligation bonds and \$1,707,274,000 in all means of financing for FY2013-2014; and \$514,030,000 in general obligation bonds and \$912,851,000 in all means of financing in FY2014-2015.

While developing the capital improvement project budget, your Committee recognized the need to address the repair and maintenance and health and safety project backlogs that continue to plague the State's agencies and departments. Your Committee also sought to fund "shovel ready" projects, while deferring the construction funding for projects in which the plans and design have not yet been completed. Accordingly, your Committee believes that this capital improvement project budget addresses the most basic necessities of many state facilities while remaining cautiously optimistic about the future growth and technological advancement of state operations.

Highlights of the capital improvement project budget for the biennium include over \$113,750,000 in lump sum appropriations for the Department of Education to address school improvements and renovations and over \$42,000,000 in lump sum appropriations for health and safety, Americans with Disabilities Act compliance, Title IX compliance, special education, and electrical upgrade projects in schools throughout the state.

To help the University of Hawaii address the needs of campus facilities statewide, your Committee has approved over \$100,000,000 for repair and maintenance. Of those funds, \$25,000,000 has been designated for the community college system to help the schools address current and deferred repair and maintenance projects.

Your Committee believes that the capital improvement projects within this budget will help the State to maintain the long-term viability of its current facilities, while also laying the foundation for the State to improve its operating efficiency through technological infrastructure development and modernization.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 200, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 200, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Morikawa and Tokioka.

SCRep. 929 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 6

The purpose of this measure is to:

- (1) Commemorate the twentieth anniversary of the Apology Resolution, Public Law 103-150;
- (2) Recognize the progress that has been made towards reconciliation and Native Hawaiian self-governance and self-determination;
- (3) Reaffirm the State's commitment to reconciliation with the Native Hawaiian people for historical injustices;
- (4) Urge the federal government to advance reconciliation efforts with Native Hawaiians; and
- (5) Express the Legislature's support of efforts to further the self-determination and sovereignty of Native Hawaiians.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Japanese American Citizens League Honolulu Chapter, and several individuals provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies provided testimony in opposition to this measure. The Oahu Council of the Association of Hawaiian Civic Clubs, Na Koa Ikaika, and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 6 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Coffman, Kawakami and Lee.

SCRep. 930 Health on H.C.R. No. 23

The purpose of this measure is to urge the Department of Health to establish the Obesity Prevention Healthcare Reimbursement Task Force to develop recommendations for improving the provision of obesity prevention-related services and counseling in accordance with the implementation of the Patient Protection and Affordable Care Act.

The Department of Health, Department of Commerce and Consumer Affairs, Hawaii Pacific Health, Hawaii Medical Service Association, The Mestizo Association, and an individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its title to conform with the contents of the measure and to read as follows: "REQUESTING THE FORMATION OF A TASK FORCE TO DEVELOP RECOMMENDATIONS FOR IMPROVING OBESITY PREVENTION-RELATED SERVICES AND COUNSELING IN ACCORDANCE WITH THE IMPLEMENTATION OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 23, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 23, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 931 Health/Human Services on H.C.R. No. 18

The purpose of this measure is to:

- (1) Strengthen inter-governmental and inter-agency collaboration pertaining to the adult mental health system; and
- (2) More effectively manage the census of the Hawaii State Hospital,

by requesting the Legislative Reference Bureau to conduct a study to advise the Special Action Team on the optimal number of forensic examinations necessary for each individual committed to the Hawaii State Hospital who is charged with a felony, relative to the practices in other states and jurisdictions.

The Department of Health, Community Alliance for Mental Health, United Self Help, and The Mestizo Association supported this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 18, as amended herein, and recommend that it be referred to the Committee on Judiciary, in the form attached hereto as H.C.R. No. 18, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 932 Health on H.C.R. No. 21

The purpose of this measure is to institute a robust healthcare data environment to maximize the prevention and treatment of obesity across the healthcare continuum and stages of life by requesting:

- (1) The State to support the efforts of the Hawaii Health Care Project and the Hawaii Health Information Exchange to implement an efficient and effective, integrated, technology-based health care information system; and
- (2) The Hawaii Health Care Project and Hawaii Health Information Exchange to ensure that the system is developed with and maintained under a public-private partnership to include those with shared interests in providing data into and receiving data through the system.

The Governor's Office, Department of Health, Department of Commerce and Consumer Affairs, Hawai'i Pacific Health, Hawai'i Association of Professional Nurses, Hawaii Medical Service Association, and two individuals supported this measure.

Your Committee has amended this measure by:

- (1) Specifying that certified copies of this concurrent resolution be transmitted to the Governor, Director of Health, and Hawaii Healthcare Transformation Coordinator; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 21, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 21, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 933 Health on H.C.R. No. 20

The purpose of this measure is to support healthy nutrition by requiring the Department of Health to establish the State Nutrition Guidelines Work Group to, among other things:

- (1) Draft nutrition guidelines for state agencies;
- (2) Create a toolkit for implementing the nutrition guidelines; and
- (3) Develop recommendations for implementing the nutrition guidelines in all state agencies.

The Department of Health, Office of Hawaiian Affairs, Hawaii Pacific Health, American Heart Association, and an individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its title to conform with the contents of the measure and to read as follows: "ESTABLISHING A WORKING GROUP TO DEVELOP NUTRITION GUIDELINES FOR STATE AGENCIES"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 20, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 20, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 934 Health on H.C.R. No. 24

The purpose of this measure is to support wellness and healthy habits and enhance physical education in public schools by requesting the University of Hawaii Department of Kinesiology and Rehabilitation Science, in cooperation with the Department of Education and the Department of Health, to conduct a study assessing the feasibility of adopting the National Association for Sport and Physical Education physical education guidelines for elementary and middle schools in the State.

Hawaii Pacific Health, American Cancer Society Cancer Action Network, American Heart Association, and two individuals supported this measure. The University of Hawaii College of Education, including the Physical Education Teacher Education faculty, supported the intent of this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Amending its title for clarification: "REQUESTING THE UNIVERSITY OF HAWAII DEPARTMENT OF KINESIOLOGY AND REHABILITATION SCIENCE, IN COOPERATION WITH THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF HEALTH, TO CONDUCT A STUDY AND PROVIDE RECOMMENDATIONS ON THE IMPLEMENTATION OF NATIONAL PHYSICAL EDUCATION GUIDELINES IN HAWAII'S PUBLIC SCHOOLS"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 24, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 24, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 935 Education on S.B. No. 48

The purpose of this measure is to assist the Department of Education to more fully focus on its core mission of educating Hawaii's youth by removing:

- (1) The representative of the Department from the Aerospace Advisory Committee; and
- (2) The Department from the list of state agencies with which the Office of Planning is required to coordinate for the development of state agency work plans necessary to implement the Ocean Resources Management Plan.

The Department of Education and a concerned individual supported this measure. The Chairman of the Hawai'i Aerospace Advisory Committee and three concerned individuals opposed this measure. The Department of Business, Economic Development, and Tourism and Office of Planning provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 48 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Hanohano, Nakashima and Takai.

SCRep. 936 Agriculture on S.B. No. 595

The purpose of this measure is to include milk, poultry, eggs, poultry carcass, poultry meat, and aquaculture and aquaponics products to be consumed within the State, whether imported or processed within the State, to the agricultural commodities that are exempt from the State's general excise

tax on amounts received for loading, transportation, and unloading.

Ulupono Initiative, Hawaii Food Industry Association, and Hawaii Farm Bureau Federation testified in support of this measure. One concerned individual testified in opposition to this measure. The Department of Agriculture, Department of Taxation, Tax Foundation of Hawaii, and Hawaii Cattlemen's Council, Inc. offered comments.

Your Committee has amended this measure by:

- (1) Adding beef and beef carcasses; goat meat and goat carcasses; lamb meat and lamb carcasses; and sheep meat and sheep carcasses to the definition of agricultural commodities to be exempt from the general excise tax laws; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 595, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 595, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola, Choy and Ohno.

SCRep. 937 Housing on S.B. No. 1025

The purpose of this measure is to update the Hula Mae Single Family Mortgage Loan Program by, among other things:

- (1) Eliminating statutory program eligibility criteria that are not mandated by the Internal Revenue Code for borrowers, thereby allowing more households to qualify for the loan program;
- (2) Providing downpayment and closing cost assistance as an optional feature of the program loans;
- (3) Deleting statutory provisions related to two inactive programs, the Loans to Lenders and Purchase of Existing Loans Programs, which did not provide loans directly to homebuyers; and
- (4) Making housekeeping and conforming amendments.

The Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Hawai'i Association of REALTORS; and an individual supported this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1025, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1025, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 938 Housing on S.B. No. 305

The purpose of this measure is to address the housing needs of the State's low-income residents by authorizing the Hawaii Public Housing Authority to, among other things:

- (1) Develop, with an eligible developer, or assist under a government assistance program in the development of, public housing projects; and
- (2) Develop commercial, industrial, and other properties in connection with the development of public housing dwelling units if Hawaii Public Housing Authority determines that the uses will be an integral part of the public housing development or a benefit to the community in which the properties are situated.

The Hawaii Public Housing Authority and the Hawaii Substance Abuse Coalition supported this measure. The Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 305, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 939 Water & Land on S.B. No. 1009

The purpose of this measure is to support Hawaii lifeguards by making permanent liability protections for county lifeguards provided under Act 170, Session Laws of Hawaii 2002.

The Department of Land and Natural Resources; Mayor of the County of Kauai; City and County of Honolulu Department of the Corporation Counsel; Honolulu Emergency Services Department, City and County of Honolulu; a member of the Maui County Council; and the Hawaiian Lifeguard Association testified in support of this measure. The Hawaii Association for Justice testified in opposition of this measure. The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a new provision to make permanent the State and counties' limited liability protections and duty to warn of dangers on public land contained in Act 82, Session Laws of Hawaii 2003; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1009, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1009, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 940 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 406

The purpose of this measure is to support the protection of Native Hawaiian rights by mandating that members of certain state councils, boards, and commissions take a Native Hawaiian law training course to be developed or approved by the Office of Hawaiian Affairs.

Your Committee notes that the measure, as currently drafted, does not specifically pertain to councils, boards, and commissions within the Hawaii criminal justice system. Should the Committee on Judiciary consider this measure, your Committee respectfully requests that the inclusion of councils, boards, and commissions within the Hawaii criminal justice system be considered.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and several individuals testified in support of this measure. The Land Use Research Foundation of Hawaii testified in opposition of this measure. The Department of Land and Natural Resources and Community Alliance on Prisons provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 406, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 941 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1235

The purpose of this measure is to promote the use of the Hawaiian language by:

- (1) Requiring the Director of Commerce and Consumer Affairs to work with various interested stakeholders to assess the best method of ensuring dedicated funding for the development of a Hawaiian television channel; and
- (2) Appropriating funds to 'Oiwi TV for the production and distribution of Hawaiian language content on cable television.

The Office of Hawaiian Affairs, Community Alliance on Prisons, and Kamehameha Schools testified in support of this measure. The Cable Television Division of the Department of Commerce and Consumer Affairs provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1235, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 942 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 1317

The purpose of this measure is to preserve, perpetuate, and share the legacy of the Japanese-American service members who served in the United States Armed Forces during World War II, and those Japanese-American citizens detained in internment camps. Specifically, this bill:

- (1) Appropriates funds to be used as matching funds for fiscal year 2013-2014 and fiscal year 2014-2015 for the planning, design, and construction of the Nisei Veterans Legacy Center;
- (2) Requires the Department of Land and Natural Resources to report to the Legislature on the status of the Nisei Veterans Legacy Center, including funding;
- (3) Appropriates funds to be used as matching funds to continue the work of the Honouliuli Park Site Project Advisory Group; and
- (4) Requires the Honouliuli Park Site Project Advisory group to submit a report to the Legislature regarding:

- (A) The recommendations for leveraging funds for an educational center related to the Honouliuli Internment Site; and
- (B) The status of designating the Honouliuli Internment Site and associated sites as part of the United States National Park Service.

The 442nd Veterans Club, 100th Infantry Battalion Veterans, Japanese Cultural Center of Hawaii, and several concerned individuals testified in support of this measure. The Department of Land and Natural Resources, State Office of Veterans Services, University of Hawaii-West Oahu, and Hawaii Civil Rights Commission testified in support of the intent of this bill. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the funds appropriated as matching funds for the planning, design, and construction of the Nisei Veterans Legacy Center shall be expended by the University of Hawaii rather than the Department of Land and Natural Resources;
- (2) Requiring the University of Hawaii, rather than the Department of Land and Natural Resources, to report to the Legislature on the status of the Nisei Veterans Legacy Center, including funding;
- (3) Clarifying that the funds appropriated as matching funds to continue the work of the Honouliuli Park Site Project Advisory Group shall be expended by the Department of Land and Natural Resources rather than the University of Hawaii; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1317, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1317, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 943 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 548

The purpose of this measure is to enhance accessibility to medical services for members of the armed services in Hawaii by allowing certain individuals to provide direct telemedicine support or services to neighbor island beneficiaries within a Hawaii National Guard armory on the islands of Kauai, Hawaii, Molokai, or Maui. Specifically, this bill exempts from the licensing requirement to provide direct telemedicine support or services in the State:

- (1) Any commissioned medical officer or commissioned behavioral health professional employed by the United States Department of Defense, who is employed by the United States Department of Defense and credentialed by Tripler Army Medical Center; and
- (2) Any civilian behavioral health professional who is otherwise licensed under Hawaii law as a marriage and family therapist; a mental health counselor; or a psychologist and who is employed by the United States Department of Defense and credentialed by Tripler Army Medical Center.

The State Adjutant General and Department of the State of Hawaii-Veterans of Foreign Wars of the United States testified in support of this measure. The Hawaii Psychiatric Association testified in opposition to this bill. The Hawaii Medical Board and Board of Psychology provided comments.

Your Committee has amended this measure by:

- (1) Limiting the scope of the exemption from licensure to provide direct telemedicine support or services to neighbor island beneficiaries to commissioned medical officers employed by the United States Department of Defense, who are credentialed by Tripler Army Medical Center;
- (2) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 548, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 548, S.D. 1, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 944 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 933

The purpose of this measure is to ensure the availability of high-quality, low-cost health care services to members of the uniformed services and their families. Specifically, this bill extends the state general excise tax exclusion for amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third-party health care providers, pursuant to a contract with the United States for the administration of the TRICARE program.

The Chamber of Commerce of Hawaii and United Healthcare-Military and Veterans Services testified in support of this measure. The Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 933, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 945 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 539

The purpose of this measure is to recognize the sacrifices made by members of the armed services by exempting certain totally and permanently disabled veterans from paying State motor vehicle registration expenses on certain vehicles.

The National Association for Uniformed Services-Hawaii Chapter (HI-1), Department of the State of Hawaii-Veterans of Foreign Wars of the United States, Veterans of Foreign Wars-Hawaii, Veterans of Foreign Wars Post 970, and two concerned individuals testified in support of this bill. The State Office of Veterans Services testified in support of the intent of this measure. The Department of Transportation, City and County of Honolulu, and the Counties of Maui, Kauai, and Hawaii testified in opposition to this bill. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Placing the exemption from motor vehicle registration fees in a more appropriate chapter of the Hawaii Revised Statutes;
- (2) Clarifying that the exemption applies only to the state motor vehicle registration fee;
- (3) Clarifying that a veteran must be other than dishonorably discharged from the uniformed armed forces to qualify for the exemption; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 539, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 539, S.D. 2, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 946 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 678

The purpose of this measure is to preserve moving images in Hawaii and support the activities of the 'Ulu'ulu: The Henry Ku'ualoha Giugni Moving Image Archive of Hawai'i (Archive) by:

- (1) Making a general fund appropriation of an unspecified amount for fiscal year 2013-2014 and for fiscal year 2014-2015 into the 'Ulu'ulu: The Henry Ku'ualoha Giugni Moving Image Archive of Hawai'i Special Fund (Special Fund); and
- (2) Authorizing the appropriation of an unspecified amount for fiscal year 2013-2014 and for fiscal year 2014-2015 out of the Special Fund to support the activities of the Archive.

The Department of Business, Economic Development, and Tourism, University of Hawaii-West Oahu, and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 678, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 947 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 463

The purpose of this measure is to facilitate the growth of the film and digital media industry in the State. Specifically, this bill strengthens the film industry in Hawaii by, among other things:

- (1) Increasing the amount of the Motion Picture, Digital Media, and Film Production Income Tax Credit from 15 percent to an unspecified percent in the various counties of the state;
- (2) Removing the cap on total tax credits that may be claimed for a qualified production;
- (3) Extending the Tax Credit for an additional seven years from 2016 to 2023;
- (4) Establishing a Media Infrastructure Project Tax Credit for projects situated in West Oahu or on the most populous island in a county with a population between 100,000 and 175,000 and establishing the provisions under which this tax credit may be claimed;
- (5) Requiring the Department of Business, Economic Development, and Tourism, to be responsible for the audit approval, expenditure certification, and application processing of the Media Infrastructure Project Tax Credit, and issuance of final tax credit certification letters;

- (6) Creating a Hawaii Film Office Special Fund (Special Fund), with application fees collected for the Media Infrastructure Project Tax Credit to be deposited into the Special Fund;
- (7) Requiring monies from the Special Fund to be expended to manage media infrastructure project tax credits and related programs; and
- (8) Requiring the Department of Taxation to submit an annual report to the Legislature on the Media Infrastructure Project Tax Credit, including a cost benefit analysis of the Media Infrastructure Project Tax Credit.

The Mayor of the County of Maui, Council Chair of the Maui County Council, NBC Universal Media LLC, and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 463, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 948 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 750

The purpose of this measure is to facilitate the growth of the film and digital media industry in the State by establishing an income tax credit for the development of qualified media infrastructure projects in designated or qualifying geographic areas of the State. Specifically, this bill:

- (1) Establishes a Media Infrastructure Project Tax Credit (Tax Credit) for projects situated in West Oahu or on the most populous island in a county with a population between 100,000 and 175,000;
- (2) Establishes the requirements for claiming the tax credit;
- (3) Requires the Department of Business, Economic Development, and Tourism to be responsible for the audit approval, expenditure certification, application processing, and issuance of final tax credit certification letters; and
- (4) Requires the Department of Taxation to submit an annual report to the Legislature on the tax credit, including a cost benefit analysis of the tax credit.

A concerned individual testified in support of this measure. SAG-AFTRA, International Alliance of Theatrical Stage Employees (IATSE) Mixed Local 665, American Federation of Musicians (AFM) Local 677, and Hawaii Teamsters Local 996 testified in support of the intent of this bill. The Department of Taxation, Department of Business, Economic Development, and Tourism, Tax Foundation of Hawaii, and a concerned individual provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 750, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 949 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 1273

The purpose of this measure is to continue to promote the development of creative media as an industry in Hawaii by:

- (1) Establishing a University of Hawaii system-wide Academy for Creative Media that will confer certificates and degrees emphasizing narrative storytelling, theories, skills, and applications across multiple platforms of digital media through a unique program in indigenous filmmaking; and
- (2) Appropriating an unspecified amount of funds for the Academy for Creative Media.

The Department of Business, Economic Development, and Tourism and University of Hawaii supported the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1273, S.D. 2, and recommends that it pass Second Reading and be referred to the Committees on Higher Education and Economic Development & Business.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 950 Economic Development & Business on S.B. No. 1068

The purpose of this measure is to enable the Commissioner of Financial Institutions to more effectively regulate, supervise, and examine the money transmitters industry by, among other things:

- (1) Authorizing the Commissioner to require money transmitter licensees to register with the National Mortgage Licensing System (NMLS);

- (2) Creating a process for licensees to voluntarily surrender their licenses;
- (3) Increasing the amounts of the surety bonds required of licensees;
- (4) Authorizing the Commissioner to enter into agreements with NMLS with regard to regulation of the money transmitter industry;
- (5) Increasing the application, initial license, name change, and change of control fees for licensees;
- (6) Establishing a schedule of renewal fees for money transmitter licenses based upon the number of a licensee's annualized money transmissions;
- (7) Increasing the penalty amount that can be assessed per day of noncompliance with the licensing parameters; and
- (8) Providing for background checks of money transmitter licensees.

The Commissioner of Financial Institutions testified on behalf of the Department of Commerce and Consumer Affairs in support of this measure.

Your Committee finds it prudent at this time to move this bill forward as-is, but highly recommends that the Commissioner of Financial Institutions work closely with the Chair of your Committee on Consumer Protection & Commerce regarding the Division of Financial Institution's cash flow analysis and how the change in fee structure will affect the Department's operating costs.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1068, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Choy.
(Representative Ward voted no.)

SCRep. 951 Agriculture/Water & Land on S.B. No. 5

The purpose of this measure is to provide fair compensation, in addition to rent reductions, to lessees when the State withdraws, condemns, or takes public land leased for intensive agricultural or pastoral uses and renders the land unusable for the original purposes of the lease.

Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; and Hawaii Farm Bureau Federation testified in support of this measure. The Department of Land and Natural Resources; Department of Agriculture; and one individual offered comments.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 5, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano, Kawakami, Lee and Thielen.

SCRep. 952 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 965

The purpose of this measure is to simplify and expedite the employment of trained, educated, and highly qualified military spouses who accompany their service member spouses on military duty assignments. Specifically, this bill establishes:

- (1) Qualifications for nonresident military spouses eligible for expedited procedures for professional and vocational licensing by endorsement or reciprocity, and temporary licensing; and
- (2) Requirements for nonresident military spouses to maintain licenses and report changes in status or circumstances that may affect licensure.

The Department of Commerce and Consumer Affairs, National Association for Uniformed Services Hawaii Chapter (HI-1), The Chamber of Commerce of Hawaii, and Hawaii Dental Association testified in support of this measure.

Your Committee has amended this bill by deleting its contents and replacing it with language that:

- (1) Allows professional and vocational licensing authorities to license a military spouse of a service member by endorsement or reciprocity if the military spouse meets certain requirements; and
- (2) Adds the requirement that a spouse of a military member must be a spouse of a military member who is a member in good standing in the active or a reserve component of any of the armed forces of the United States and has orders issued by the United States Department of Defense to be stationed in Hawaii for a duration of at least one year as a condition to licensure by endorsement or reciprocity.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 965, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 965, S.D. 1, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 953 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 506

The purpose of this measure is to assist Hawaii's service men and women when determining qualifications for an occupational license. Specifically, this bill requires professional and vocational licensing authorities that consider relevant education, training, or service of a military veteran applicant for licensure in Hawaii to accept the results of the passage of a national examination or regional examination accepted by statute or rule in the specific licensing area or the equivalent, as determined by the licensing authority, provided that the applicant:

- (1) Meets or exceeds the requirements for licensure in the specific licensing area; and
- (2) Provides a certificate or evidence satisfactory to the licensing authority of having passed a national or regional examination or the equivalent.

The Department of Commerce and Consumer Affairs, National Association for Uniformed Services Hawaii Chapter (HI-1), The Chamber of Commerce of Hawaii, and Department of Hawaii-Veterans of Foreign Wars of the United States testified in support of this measure. The Hawaii Dental Association provided comments.

Your Committee has amended this bill by:

- (1) Requiring that licensure examinations completed by a service member be considered toward the qualifications required to receive a license;
- (2) Stipulating that consideration given to education, training, licensure examinations, or military service of a service member applying for licensure toward the qualifications required to receive a license only be applicable to a service member applying for licensure who has been given an honorable discharge or general (under honorable conditions) discharge from active duty within two years of applying for licensure;
- (3) Specifying that the requirement that the professional and vocational licensing authorities consider an applicant's military education, training, licensure examinations, or service toward the qualifications required to receive a license does not apply to the licensure of medical doctors, dentists, or certified public accountants;
- (4) Adding provisions making permanent the statutory provisions establishing the acceptance of military education, training, licensure examinations, or service as part of the evaluation process toward the qualification requirements to receive a license;
- (5) Adding provisions that require a licensing authority to provide a license to a service member pursuant to applicable statutes or requirements of the licensing authority of this State regarding licensure by endorsement or licensure by reciprocity if the service member holds a current license in another state, district, or territory of the United States with licensure requirements that the licensing authority determines are equivalent to or exceed those established by the licensing authority and the service member meets certain requirements;
- (6) Stipulating that the requirement that a licensing authority accept the results of the passage of a national examination or regional examination accepted by statute or rule in the specific licensing area or the equivalent and the requirement that a certificate or other evidence satisfactory to the licensing authority of having passed a national or regional examination or the equivalent to be provided to the licensing authority only applies to service members seeking a license through endorsement or reciprocity;
- (7) Adding provisions that allow a service member applying for licensure by endorsement or licensure by reciprocity to demonstrate competency in a specific profession or vocation as determined by the licensing authority in lieu of a requirement that the applicant has worked or practiced in that profession or vocation for a specified period of time prior to the application for licensure by endorsement or licensure by reciprocity;
- (8) Adding provisions requiring the licensing authority to expedite consideration of the application and issuance of a license by endorsement, license by reciprocity, or temporary license to a service member meeting the specified requirements;
- (9) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 506, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 506, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 954 Judiciary on S.B. No. 886

The purpose of this measure is to propose a constitutional amendment to increase the mandatory retirement age for state judges and justices from seventy to eighty years of age.

The Department of the Attorney General, the League of Women Voters of Hawaii, and one concerned citizen submitted testimony in support of the measure. The Office of the Public Defender and the Department of the Prosecuting Attorney of the City and County of Honolulu submitted comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 886 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito and Lee.

SCRep. 955 Human Services on S.B. No. 102

The purpose of this measure is to better protect elderly individuals from financial abuse by:

- (1) Requiring financial institutions to report suspected financial abuse of an elder to the appropriate county police department as well as to the Department of Human Services and specifying means of reporting;
- (2) Requiring the county police department to proceed with a criminal investigation upon notification by a financial institution of suspected financial abuse; and
- (3) Clarifying the definition of financial abuse.

The Department of Human Services and a few individuals testified in support of this measure. The Executive Office on Aging supported the intent of this measure. The University of Hawaii commented on the measure.

Your Committee notes that the compelling testimony of individuals describing financial abuse of elder family members demonstrates the growing problem of financial abuse of elders and the need for regulations to protect our elderly population.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 102, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 956 Human Services on S.B. No. 390

The purpose of this measure is to support positive youth programs by appropriating funds to the Department of Human Services to fund staffing needs, including an administrator, for the Uniting Peer Learning Integrating New Knowledge (UPLINK) Program.

The Department of Education and Hawaii Youth Services Network submitted testimony in support of this measure. The Department of Human Services supported the intent of the measure.

Your Committee has amended this measure by:

- (1) Clarifying that funds appropriated to the Department of Human Services shall be used to fund one Department of Education administrator for the Uniting Peer Learning Integrating New Knowledge (UPLINK) Program and other program needs pursuant to a memorandum of agreement; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 390, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 390, S.D. 2, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 957 Human Services on S.B. No. 815

The purpose of this measure is to support the Judiciary's early intervention services for infants and toddlers by appropriating funds for the Family Court's Honolulu Zero to Three Court.

The Judiciary, Hawaii Family Support Institute, and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 958 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1007

The purpose of this measure is to clarify the State's and the counties' duty to warn against dangerous natural conditions on improved public land, and therefore limit liability for personal injuries incurred on that land, by clarifying that the duty to warn does not apply to voluntary trails that are not constructed, developed, or maintained by the State or a county.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, City and County of Honolulu, Access Fund, and numerous individuals. Hawaii Association for Justice submitted testimony in opposition to this measure. The Department of the Attorney General submitted comments.

Your Committees note that concerns were raised in testimony that this measure does not account for the attractive nuisance that exists when voluntary or unofficial trails created by unsanctioned use exist in close proximity to official, maintained state or county trails. Your Committees find that the

location of these voluntary trails and evidence of their frequent use can create the appearance that these voluntary trails are, in fact, part of the official trail system. This can cause confusion and exposure to unforeseen risk even in informed trail users acting in good faith. Your Committees respectfully request that your Committee on Judiciary, should it consider this measure, investigate possible means of adequately protecting the public in situations involving voluntary trails in close proximity to official state and county trails.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1007, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 959 Water & Land on S.B. No. 1168

The purpose of this measure is to limit the State's liability for personal injury incurred in the course of mountain climbing and rock climbing activities on state owned and managed land.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of the Attorney General, Access Fund, and numerous individuals. Your Committee received testimony in opposition to this measure from Hawaii Association for Justice. The City and County of Honolulu and one individual submitted comments on this measure.

Your Committee notes that concerns were raised in testimony that suggest that the current law protects the State from liability only from natural hazards and does not account for the additional risks inherent in rock climbing and mountain climbing activities. Your Committee respectfully requests that your Committee on Judiciary further investigate whether this measure adequately protects the State from liability for injury from these additional risks, should that Committee consider this measure. Your Committee further requests that your Committee on Judiciary also consider the inclusion in this measure of language to apply similar limitations on liability to the counties.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1168, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 960 Human Services on S.B. No. 1106

The purpose of this measure is to clarify and strengthen Hawaii law relating to exemptions from child care program licensing requirements by:

- (1) Clarifying that child care programs licensed or certified by the United States Department of Defense that are located on federal property are exempt from Department of Human Services child care licensing requirements; and
- (2) Exempting child care programs licensed by the Hawaii Council of Private Schools from the Department of Human Services child care licensing requirements as long as these institutions apply for this exemption and it is approved by the Department of Human Services.

The Department of Human Services, Executive Office on Early Learning, Hawaii Association for the Education of Young Children, and Hawaii Association of Independent Schools submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1106, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 961 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1169

The purpose of this measure is to:

- (1) Clarify the offenses for which property is subject to forfeiture under Chapter 6K, Hawaii Revised Statutes, relating to the Kahoolawe Island Reserve, including any activity prohibited by rules of the Island Reserve and any violation of rules regulating fishing in waters within the Island Reserve except by persons or vessels within one nautical mile of the boundaries of the Island Reserve;
- (2) Clarify that property or natural resources used or taken in violation of the Kahoolawe Island Reserve laws are subject to the search and seizure provisions of the Conservation and Resources Enforcement laws and the State's forfeiture laws; and
- (3) Require the Kahoolawe Island Reserve Commission to adopt rules, as appropriate, that provide for forfeiture for violations that are subject to penalties.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Kahoolawe Island Reserve Commission, and Ocean Tourism Coalition provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1169, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 962 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 10

The purpose of this measure is to improve the operations of the Hawaiian Homes Commission and Department of Hawaiian Home Lands by:

- (1) Allowing the Hawaiian Homes Commission and Department of Hawaiian Home Lands to hire their own attorneys and to require the State to pay for the services of those attorneys; and
- (2) Authorizing the Hawaiian Homes Commission and Department of Hawaiian Home Lands to use the services of the Attorney General as needed when the interests of the State, Hawaiian Homes Commission, and Department of Hawaiian Home Lands are aligned.

A few concerned individuals supported this measure. The Department of the Attorney General opposed this bill. The Department of Hawaiian Home Lands provided comments.

Your Committee notes that the Department of the Attorney General suggested that the measure be amended to allow the Attorney General to determine whether a conflict of interest exists and that clarification be made that independent counsel expenses be paid with appropriated state funds.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 10, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami and Lee.
(Representative Coffman voted no.)

SCRep. 963 Energy & Environmental Protection on S.B. No. 1087

The purpose of this measure is to promote the purchase and installation of green infrastructure equipment among electric utility customers through a loan program financed by the issuance of revenue bonds. Specifically, this measure, among other things:

- (1) Establishes the Hawaii Green Infrastructure Loan Program;
- (2) Establishes the Hawaii Green Infrastructure Authority within the Department of Business, Economic Development, and Tourism;
- (3) Authorizes the Authority to issue revenue bonds and use the proceeds from the bonds to provide the loans;
- (4) Establishes green infrastructure property for which a green infrastructure fee will be imposed upon electric utility customers to pay for the bonds;
- (5) Establishes a bond fund for the receipt of green infrastructure fee payments and green infrastructure charges for the disbursement of bond payments; and
- (6) Establishes a special fund for the receipt of green infrastructure fee payments and green infrastructure charges for the disbursement of bond payments.

The Office of the Governor; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Budget and Finance; Public Utilities Commission; Blue Planet Foundation; Sierra Club, Hawai'i Chapter; Environmental Defense Fund; Ulupono Initiative; Hawaii Energy Policy Forum; Hawaii Laborers' Union; Pacific Resource Partnership; and Hawaii Solar Energy Association provided testimony in support of this measure. The State Procurement Office provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism; Hawaiian Electric Company; Hawaii Electric Light Company; Maui Electric Company; and Land Use Research Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding language to articulate the intent of the measure to support implementation of clean energy financing programs;
- (2) Clarifying the Public Utilities Commission's regulatory oversight of ratepayer funds and programs;
- (3) Clarifying the procedures and requirements for financing orders and green infrastructure loan program orders;
- (4) Inserting an amount of \$200,000,000 for the bond issuance authorization to establish and administer the Hawaii Green Infrastructure Loan Program;
- (5) Deleting the appropriations from the general revenues of the State of Hawaii;
- (6) Specifying an appropriation amount of \$100,000,000 from the Hawaii Green Infrastructure Special Fund;
- (7) Specifying an appropriation amount of \$10,000,000 from the Hawaii Green Infrastructure Bond Fund for fiscal year 2013-2014 and \$20,000,000 for fiscal year 2014-2015;
- (8) Making this measure effective upon its approval; provided that appropriations shall be effective on July 1, 2013; and
- (9) Making technical, nonsubstantive amendments, including the relocation of existing provisions, for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1087, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1087, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 964 Housing on S.B. No. 1112

The purpose of this measure is to facilitate the expeditious handling of Hawaii Public Housing Authority's delinquent accounts by authorizing Hawaii Public Housing Authority to delete from its account receivable records and assign to a collection agency, delinquent accounts for vacated units within state low-income public housing projects that have been delinquent for at least 90 days.

The Hawaii Public Housing Authority supported this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1112 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 965 Housing on S.B. No. 507

The purpose of this measure is to ensure that all members of a planned community association are able to receive notice of any regular annual meeting or special meeting of the association by specifying requirements for means and content of meeting notices.

Two individuals testified in support of this measure. Two individuals testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 507, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 966 Energy & Environmental Protection/Health on S.B. No. 1135

The purpose of this measure is to expand the scope and increase the effectiveness of the State's Electronic Waste Recycling Program by:

- (1) Establishing recycling goals and recordkeeping and reporting requirements for electronic device manufacturers and representative organizations;
- (2) Establishing registration, recordkeeping, reporting, and collection requirements for collectors of covered electronic devices;
- (3) Eliminating the television recovery system component of the Electronic Waste Recycling Program, incorporating the system's provisions into the Program, and making conforming amendments;
- (4) Allowing counties to determine whether to include covered electronic devices in their waste management activities or recycling programs and providing funding from the Electronic Device Recycling Fund;
- (5) Increasing the scope of what is considered a "covered electronic device" by replacing references to computer and computer components with electronic equipment intended for use by consumers and businesses, such as televisions and computers and their peripherals;
- (6) Clarifying what is considered a "covered electronic device";
- (7) Clarifying that an electronic device manufacturer does not include a person who:
 - (A) Refurbishes, repairs, or reuses damaged or used covered electronic devices; or
 - (B) Manufactures no more than 100 covered electronic devices per year;
- (8) Clarifying the qualifying requirements for recycling plans developed by electronic device manufacturers and representative organizations; and
- (9) Enhancing the enforcement of the Electronic Waste Recycling Program by, among other things, addressing violations through a citation and administrative hearing process.

The Department of Health, City and County of Honolulu Department of Environmental Services, Conservation Council for Hawaii, Zero Waste Kauai, and an individual provided testimony in support of this measure. The Custom Electronic Design & Installation Association; AT&T; Consumer Electronics Association; Apple, Inc.; and Technology Association of America (TechAmerica) provided testimony in opposition to this measure. Stanley Black & Decker, Inc.; Robert Bosh Tool Corporation; Techtronic Industries Company; Sims Recycling Solutions; Retail Merchants of Hawaii; Ulupono Initiative; and an individual provided comments on this measure.

Your Committees have amended this measure by:

- (1) Inserting provisions requiring the Department of Health to adopt rules to effectuate the intent of the State's Electronic Waste Recycling Act and allowing the Department to adopt rules to refine the definitions of "covered electronic device," "electric device," and "peripheral" as the Department determines is necessary;
- (2) Including within the definition of "covered electronic device" electronic equipment intended for use by governmental institutions and educational institutions;
- (3) Changing the amounts of the registration fees and renewal fees to amounts determined by the Department of Health by rule based upon an analysis of the Department's needs and the number of electronic device manufacturers registering with the Department; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1135, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1135, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Jordan and Woodson.

SCRep. 967 Health on S.B. No. 652

The purpose of this measure is to reduce the number of children and youth who smoke or begin smoking by:

- (1) Prohibiting the sale of electronic cigarettes to minors under the age of 18;
- (2) Defining "electronic cigarette", or "e-cigarette"; and
- (3) Establishing the Smoking Prevention Among Children and Youth Task Force to develop potential legislation that addresses concerns related to advertising and product placement promoting or encouraging the purchase or use of cigarettes or other tobacco products by children and youth and submit a report on its findings and recommendations to the Legislature.

The Coalition for a Tobacco-Free Hawaii and two individuals supported this measure. Volcano Fine Electronic Cigarettes supported this measure with amendments. The Department of Health submitted comments.

Your Committee engaged in contemplative discussion and received meaningful input from testifiers on the various definitions contained in this measure and its companion measure H.B. No. 672, H.D. 2, as well as terms raised in committee discussion. The discussion centered on definitions of terms including "electronic cigarettes", "e-cigarettes", "electronic smoking devices", "vapor products", and "alternative nicotine products", among others. Your Committee recognizes the need to arrive at accurate and consistent definitions of relevant terms to support the intent and purpose of this measure. As such, your Committee respectfully requests the Committee on Consumer Protection and Commerce and the Committee on Finance to further pursue this issue and develop consistent and accurate terms and definitions.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 652, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 652, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 968 Health on S.B. No. 665

The purpose of this measure is to expand the primary care workforce in the State by appropriating funds for:

- (1) The Hawaii Health Corps;
- (2) Programs of the John A. Burns School of Medicine's Native Hawaiian Center of Excellence, such as the Imi Hoola Program and the Native Hawaiian Student Pathway to Medicine Program; and
- (3) Increasing faculty and infrastructure of the existing Family Medicine Residency Program at the John A. Burns School of Medicine and development of new accredited family health centers in association with teaching hospitals.

The Hawaii Medical Service Association, Hawaii Medical Association, Healthcare Association of Hawaii, Hawai'i Primary Care Association, Hawaii State Rural Health Association, Community Alliance for Mental Health, United Self Help, and two individuals supported this measure. The John A. Burns School of Medicine supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 665, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 969 Health on S.B. No. 1240

The purpose of this measure is to ensure pediatric dental coverage for all individuals under the age of 19 years by requiring the Hawaii Health

Connector to require all such individuals to purchase essential health benefits under the federal Patient Protection and Affordable Care Act, including pediatric health coverage.

The State Council on Developmental Disabilities and Hawaii Medical Service Association testified in support of this measure. Kaiser Permanente testified in opposition to this measure. The Department of Health, Department of Commerce and Consumer Affairs, Hawaii Health Connector, and Hawaii Primary Care Association provided comments on this measure.

Your Committee respectfully requests that your Committee on Consumer Protection & Commerce examine the issue raised by the Insurance Commissioner regarding the measure's consequences with respect to the Patient Protection and Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1240, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 970 Health on S.B. No. 654

The purpose of this measure is to facilitate the cessation of tobacco use among individuals by:

- (1) Mandating health insurance coverage for tobacco use cessation treatments; and
- (2) Requiring insurers to provide policy holders or subscribers information about tobacco use cessation treatment coverage.

The Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, American Heart Association, Hawaii COPD Coalition, and a few individuals testified in support of this measure. The Department of Health and Kaiser Permanente testified in support of the intent of this measure. The Hawaii Medical Service Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee respectfully requests that your Committees on Consumer Protection & Commerce and Finance examine the issues raised by the Hawaii Medical Service Association specifically, whether the coverage mandate contained in this measure will result in a mandate that the State cover the cost of these newly required services pursuant to the federal Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 654, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 654, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 971 Health on S.B. No. 1238

The purpose of this measure is to establish a maternal mortality review panel (panel) to conduct comprehensive multidisciplinary reviews of maternal deaths in Hawaii to:

- (1) Identify factors associated with maternal deaths; and
- (2) Make recommendations for system changes to improve health care services for women in the State.

This measure also appropriates funds for the implementation and operation of the panel.

The Hawaii Medical Association; March of Dimes; Healthy Mothers Health Babies Coalition of Hawaii; American Congress of Obstetricians and Gynecologists, Hawaii Section; Planned Parenthood of Hawaii; and numerous individuals supported this measure. The Department of Health supported the intent of this measure with amendments. An individual submitted comments.

Your Committee has amended this measure by, among other things:

- (1) Adding clarifying definitions;
- (2) Specifying that the definition of "director" also means the Director of Health's designee;
- (3) Deleting the provision allowing additional panel members with specific expertise to be appointed by the Director of Health as necessary;
- (4) Specifying that the panel is not subject to the meeting provisions under the Public Agency Meetings and Records law;
- (5) Amending confidentiality and rules provisions, including by specifying that the panel's recommendations are not to contain any

information that would permit identification of a person;

- (6) Adding information provision requirements for providers of medical care and state and county agencies;
- (7) Requiring that information regarding an ongoing civil or criminal investigation be disclosed at the discretion of the applicable state, county, or federal law enforcement agency;
- (8) Expanding provisions relating to the use of maternal mortality review information and records;
- (9) Providing that the panel, panel members, any medical provider, state or county agency, or individual participating in, or cooperating in, the review of a maternal death under the new part, will not be held civilly or criminally liable for providing the information;
- (10) Deleting reference to the Department of Health in certain existing statutory provisions related to the maternal and perinatal mortality study committee; and
- (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1238, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1238, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 972 Transportation on S.B. No. 693

The purpose of this measure is to improve highway safety by:

- (1) Establishing a three-year pilot photo red light imaging detector system program to improve enforcement of the traffic-control signal laws in all counties with a population in excess of 600,000; and
- (2) Making other amendments regarding highway safety.

The Department of Transportation, Mothers Against Drunk Driving Hawaii, Safe Community of Maui, State Highway Safety Council, Hawaii Bicycling League, and numerous concerned individuals supported this measure. The Office of the Public Defender and a few concerned individuals opposed this measure. Matson Navigation Co., Inc., provided comments.

Your Committee has amended this measure by:

- (1) Applying the photo red light imaging detector system program to all counties regardless of population size;
- (2) Specifying five intersections at which the photo red light imaging detector system program shall begin;
- (3) Requiring any citation issued pursuant to the photo red light imaging detector system program to be issued by a county police officer;
- (4) Extending the time period within which a person must answer a summons or citation from 15 days to 30 days;
- (5) Requiring a nonprofit organization that is organized and operated in accordance with section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to administer the photo red light imaging detector system program;
- (6) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 693, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 693, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 973 Transportation on S.B. No. 1161

The purpose of this measure is to relieve the Department of Land and Natural Resources of costs associated with improper mooring and other delinquencies of ocean vessel owners by requiring the costs associated with the impoundment and disposal of an unauthorized vessel to be borne by the owner of the vessel and to prohibit renewal or transfer of vessel registration under certain circumstances.

The Department of Land and Natural Resources supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1161, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 974 Transportation on S.B. No. 495

The purpose of this measure is to implement certain recommendations of the Insurance Verification Working Group by, among other things:

- (1) Establishing a working group attached to the Department of Commerce and Consumer Affairs to assist in the development of requests for proposals, vendor selection, and program development for a motor vehicle insurance verification program;
- (2) Increasing the annual motor vehicle registration fee;
- (3) Removing requirements that would become duplicative and unnecessary for insurance identification cards and safety inspection requirements once the motor vehicle insurance verification program becomes effective; and
- (4) Allocating a portion of motor vehicle registration fees to be deposited to the credit of the compliance resolution fund and allocating a portion of certain fines to be deposited into the general fund.

The Judiciary, Honolulu Police Department, Property Casualty Insurers Association of America, and a concerned individual supported this measure. The Department of Commerce and Consumer Affairs supported this measure with amendments. Hawaii Insurers Council opposed this measure. The Department of Customer Services of the City and County of Honolulu and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the working group shall consider the impact on the uninsured motorist population if minimum bodily injury liabilities are increased;
- (2) Establishing a special fund for the development and operation of a motor vehicle insurance verification program and exempting monies in the special fund from transfer to the general fund for administrative expenses and from deposit in the compliance resolution fund;
- (3) Removing the increase to the annual motor vehicle registration fee;
- (4) Changing the fine for the first violation of requirements to have a motor vehicle insurance policy in effect to \$125 and removing judges' discretionary authority to suspend a fine for failure to have insurance if a defendant later obtains insurance;
- (5) Requiring the first \$25 of any fine imposed for violation of motor vehicle insurance requirements to be deposited into the special fund, and the remaining fines to be deposited into the general fund;
- (6) Specifying that the collection of fees and other provisions relating to the special fund shall take effect on January 1, 2014, and the implementation of the Department of Commerce and Consumer Affairs' program to identify uninsured motor vehicles shall take effect on January 1, 2015; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 495, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 495, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 975 Human Services on S.B. No. 1340

The purpose of this measure is to support Hawaii's youth in foster care by establishing the Young Adult Voluntary Foster Care Program extending services to provide care and supervision of eligible foster youth until their twenty-first birthday.

The Department of Human Services, Office of Hawaiian Affairs, Hawaii Foster Youth Coalition, Hawaii Youth Services Network, Catholic Charities Hawaii, Hale Kipa, Family Programs Hawaii, West Hawaii HI H.O.P.E.S Youth Leadership Board, East Hawaii HI H.O.P.E.S Youth Leadership Board, Oahu HI H.O.P.E.S Youth Leadership Board, Kauai HI H.O.P.E.S Youth Leadership Board, Maui HI H.O.P.E.S Youth Leadership Board, and numerous individuals testified in support of this measure. The Judiciary supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Clarifying that youth involved in the Young Adult Voluntary Foster Care Program have the right to choose whether they want to be present at all court hearings and reviews and to address the court during those hearings; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1340, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1340, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 976 Labor & Public Employment on S.B. No. 532

The purpose of this measure is to require employers with at least 20 employees to provide a reasonable break time and clean, private place for breastfeeding employees to express breast milk, require covered employers to post notice of these requirements, and establish civil penalties for violation.

The Department of Labor and Industrial Relations; Department of Health; Office of Hawaiian Affairs; Hawai'i Commission on the Status of Women; Hawai'i Civil Rights Commission; United Public Workers, AFSCME, Local 646, AFL-CIO; Breastfeeding Hawaii; Planned Parenthood of Hawaii; American Civil Liberties Union of Hawai'i; Hawai'i State Democratic Women's Caucus; Hawai'i Women's Coalition; Healthy Mothers Healthy Babies Coalition of Hawaii; and a concerned individual supported this measure. A concerned individual opposed this measure. The Hawaii Transportation Association and The Chamber of Commerce of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the maximum number of employees an employer may have to qualify for an exemption to an unspecified number;
- (2) Changing the fine for each violation from \$1,000 to an unspecified amount;
- (3) Changing its effective date to July 1, 2113, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 532, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 532, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 977 Labor & Public Employment on S.B. No. 510

The purpose of this measure is to clarify the responsibilities of professional employer organizations (PEOs) and resolve conflicts with existing laws regarding PEOs.

The Department of Labor and Industrial Relations and the Department of Taxation supported this measure. The Hawaii Association of Professional Employer Organizations; Hawaii Human Resources, Inc.; Exceptional, Inc., dba Employers Options; and Talent HR Solutions LLC supported the intent of this measure. The Tax Foundation of Hawaii and ProService Hawaii provided comments.

Your Committee has amended this measure as received by deleting its contents and replacing it with the language contained in H.B. No. 144, H.D. 2. As amended, this bill, among other things:

- (1) Renames the title of chapter 373K, Hawaii Revised Statutes, to "Professional Employer Organizations";
- (2) Adds sections to chapter 373K, Hawaii Revised Statutes, to clarify PEO requirements, including requiring PEO registration, establishing registration and renewal fees, setting forth the responsibilities and duties of the Director of Labor and Industrial Relations with respect to PEOs, requiring notification to the Department of Labor and Industrial Relations regarding relationships between a PEO and its client companies, clarifying the applicable hearings process and provides for judicial review, and adding certain definitions;
- (3) Authorizes the Director of Labor and Industrial Relations to establish sliding scale fees based on PEO annual payroll;
- (4) Establishes sliding scale bond requirements for PEOs based on PEO annual payroll; and
- (5) Repeals Chapter 373L, Hawaii Revised Statutes, which relates to PEOs.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 510, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 510, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 978 Education on S.B. No. 1084

The purpose of this measure is to ensure that Hawaii's children receive the early foundation and support necessary to avoid remedial training and achieve success in their future educational endeavors by proposing an amendment to the Hawaii State Constitution to permit the appropriation of public funds for private early childhood education programs.

The Governor, Department of Public Safety, Department of Human Resources Development, Department of Human Services, Department of Health, Department of the Attorney General, University of Hawaii, Department of the Prosecuting Attorney of the City and County of Honolulu, Chaminade University of Honolulu, Kamehameha Schools, Good Beginnings Alliance, Community Children's Councils, Child & Family Service, Hawaii Association of Independent Schools, Special Education Advisory Council, Early Learning Advisory Board, Hawaii P-20, Hawai'i Construction Alliance, The Pacific Resource Partnership, Atherton Family Foundation, Castle & Cooke Hawai'i, Harold K.L. Castle Foundation, Colliers International, First Insurance Company of Hawaii, Hawaii Business Roundtable, Hawai'i Pacific Health, Kaneohe Ranch Company, Hawai'i Association for the Education of Young

Children, Parents for Public Schools of Hawai'i, Central Pacific Bank, The Chamber of Commerce of Hawaii, New Hope Leeward, and over a hundred concerned individuals supported this measure. The Board of Education, IMUA Alliance, Hawaii Catholic Schools, and Hawaii Catholic Conference supported the intent of this measure. The Hawaii State Teachers Association, Hawaii members of Americans United for Separation of Church and State, and many concerned individuals opposed this measure. The Department of Education, Teacher Education Coordinating Committee, American Civil Liberties Union of Hawai'i, Hawaii Baptist Early Education Association, and several concerned individuals provided comments.

Your Committee on Education finds that in an increasingly competitive and global environment, it is imperative that Hawaii's children be given every opportunity to thrive. As extensive research has shown, 85 percent of a child's brain development occurs before age five, making these early years, and access to early learning opportunities, crucial to future success. Nevertheless, statistics show that the majority of students in three-quarters of Department of Education kindergarten classrooms in the 2012-2013 school year did not start school with the basic skills necessary to succeed. Your Committee strongly believes that such glaring disparity can be addressed by a state commitment and investment in quality early learning opportunities.

Hawaii is one of only eleven states that does not have a state-funded early education program. Your Committee would like to emphasize that while currently, not all Department of Education elementary school campuses have the necessary resources to implement preschool programs to accommodate all young children eligible to participate, there exists a robust network of private early education providers willing and able to partner with the State to ensure that all Hawai'i's keiki, regardless of means, receive the best possible foundation upon which to be successful. This cannot be accomplished without the State's firm commitment.

Your Committee finds, though, that the Hawaii State Constitution prohibits the appropriation of public funds for the support or benefit of private education institutions, limiting the State's ability to take advantage of the infrastructure, experience, and expertise that already exists in the private sector. This measure, then, proposes a narrowly-defined amendment to the Hawaii State Constitution for the public's approval aimed at permitting the appropriation of public funds for private early education programs. This would allow the formation of public-private partnerships for early childhood education programs while ensuring that the Legislature has the sole authority to define and oversee such programs.

Additionally, your Committee emphasizes that the constitutional amendment proposed by this measure is specifically and narrowly designed to fund early education programs that are not available through the current Department of Education public school system. It is not intended in any way to interfere with the State's funding of public, kindergarten through twelfth grade, education and will not result in any public funds being used for private, kindergarten through twelfth grade, education.

Your Committee also emphasizes that the narrow construction of this proposed constitutional amendment precludes the provision of public funds for religious purposes. It is not the intention of this measure or of your Committee on Education to violate the principle of the separation of church and state.

As such, your Committee strongly believes this measure serves the best interests of Hawai'i's youth and the State as a whole, and respectfully recommends that it continue to move forward in the legislative process.

Your Committee has amended this measure by:

- (1) Adding additional language to the constitutional amendment to specify that the private early childhood education programs receiving public funds will be subject to the same non-discrimination requirements as public educational institutions; and
- (2) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1084, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1084, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Aquino.

SCRep. 979 Education on S.B. No. 1093

The purpose of this measure is to more adequately prepare Hawai'i's children for success in school by establishing a School Readiness Program as part of the State's Early Learning System.

The Governor, Department of Education, Department of Human Resources Development, Department of Human Services, Department of Health, Department of Public Safety, Department of the Attorney General, Office of the Mayor of Hawaii County, University of Hawaii, Department of the Prosecuting Attorney of the City and County of Honolulu, Education Division of Chaminade University of Honolulu, the Community Children's Councils, Child and Family Service, Aloha United Way, Castle & Cooke Hawaii, Hawaii Business Roundtable, Harold K.L. Castle Foundation, Atherton Family Foundation, Colliers International – Hawaii, First Insurance Company of Hawaii, Early Learning Advisory Board, Good Beginnings Alliance, Hawaii Association of Independent Schools, Hawaii Construction Alliance, Hawaii P-20, Hawaii Pacific Health, Hui for Excellence in Education, Kamehameha Schools, The Pacific Resource Partnership, The Queen's Health Systems, Special Education Advisory Council, Kaneohe Ranch Company, Parents for Public Schools of Hawai'i, Central Pacific Bank, PHOCUSED, Hui Mākua o Kawaiha'o, New Hope Leeward, The Chamber of Commerce of Hawaii, and over one hundred concerned individuals supported this measure. The Board of Education and Hawaii Association for the Education of Young Children supported the intent of this bill. The 'Aha Pūnana Leo; Institute for Native Pacific Education and Culture; Makauila, Inc.; Ka Haka 'Ula O Ke'elikōlani College of the University of Hawaii at Hilo; and over one hundred concerned individuals supported the measure with amendments. The Hawaii Catholic Conference, Hawaii Catholic Schools, and two concerned individuals opposed this bill. The American Civil Liberties Union of Hawaii, Hawaii Baptist Early Education Association, Faith Based Early Learning Coalition, and several concerned individuals provided comments.

Your Committee notes that this measure is one of three bills designed to implement the Early Learning System established in Chapter 302L, Hawaii Revised Statutes (HRS). A comprehensive Early Education Program encompassing social-emotional and intellectual development that is tied to educational outcomes for all eligible preschool-aged children is the ultimate aim of the State's Early Learning System. However, the implementation of such a system is dependent upon the formation of public-private partnerships that require a voter-approved change to the Hawaii State Constitution. In the interim, the elimination of junior kindergarten and the change in the entry age for kindergarten, which will take effect in 2014 pursuant to Act 178, Session

Laws of Hawaii 2012, necessitates a more immediate solution to accommodate the approximately 5,000 late-born students who will require a developmentally appropriate early learning program.

Your Committee finds that the junior kindergarten program, while designed to serve preschoolers in the year prior to kindergarten, has never fully been implemented and is not readily able to accommodate varying levels of enrollment. Independent junior kindergarten classrooms have only been developed at approximately one-third of Department of Education schools. Public schools with too few eligible students have either not accommodated those students at all, or have included them in kindergarten classrooms, which limits the amount of time and material dedicated specifically to the junior kindergarten level.

Conversely, this measure proposes a School Readiness Program that lays the foundation for a comprehensive early education program and addresses the needs, not only of late-born students affected by the elimination of junior kindergarten but also of all preschool-aged children in the State, by preparing them to enter kindergarten with the socialization skills necessary to take full advantage of their public school education.

Your Committee finds that early learning experiences prepare students to flourish once they enter the public school system, ensuring that teachers spend less time rectifying deficiencies and more time guiding their students toward greater educational achievement.

It is your Committee on Education's intention that this measure be inclusive of the diverse array of early learning approaches, service deliveries, and settings available to preschool-aged children and their families. This diversity includes early education delivered in the Hawaiian language and through traditional Hawaiian instruction. However, your Committee recognizes that continued dialogue between the Legislature and the early learning community is required as this measure evolves through the legislative process. Should this measure move forward, your Committee respectfully encourages consideration of how procedures and guidelines may be included to allow the participation of early education programs delivered through Hawaiian medium education and other early learning approaches.

Your Committee has amended this measure by:

- (1) Requiring the School Readiness Program to prioritize low- and moderate-income families;
- (2) Including providers exempt from licensure by the Department of Human Services under section 346-152, Hawaii Revised Statutes, as eligible providers of school readiness services;
- (3) Making unspecified the income level in the definition of a "low- and moderate-income family"; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1093, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1093, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 980 Education on S.B. No. 1095

The purpose of this measure is to improve educational outcomes in the State by providing a comprehensive structure for the delivery of early childhood education. Specifically, this measure establishes the Early Childhood Education Program to prepare young children for school and provide them with access to high-quality early childhood education that addresses their physical, cognitive, linguistic, social, and emotional development.

The Governor, Department of the Attorney General, Department of Human Resources Development, Department of Human Services, Department of Health, Department of Education, Department of Public Safety, University of Hawaii, Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Mayor of Hawaii County, Hawaii Association of Independent Schools, Chaminade University of Honolulu, Community Children's Councils, Child & Family Service, Aloha United Way, Atherton Family Foundation, Castle & Cooke Hawai'i, Harold K.L. Castle Foundation, Colliers International-Hawaii, Early Learning Advisory Board, First Insurance Company of Hawaii, Good Beginnings Alliance, Hawaii Business Roundtable, Hawai'i Construction Alliance, Hawai'i P-20, Hawai'i Pacific Health, Hui for Excellence in Education, Kamehameha Schools, The Pacific Resource Partnership, Hawai'i Association for the Education of Young Children, Central Pacific Bank, Special Education Advisory Council, Parents for Public Schools of Hawai'i, PHOCUSED, Kaneohe Ranch Company, Hui Mākuā o Kawaihaha'o, The Chamber of Commerce of Hawaii, and over a hundred concerned individuals supported this measure. The Board of Education supported the intent of this measure. IMUA Alliance, 'Aha Pūnana Leo, Institute for Native Pacific Education and Culture, and several concerned individuals supported this measure with amendments. The Hawaii Catholic Conference, Hawaii Catholic Schools, and a concerned individual opposed this measure. The American Civil Liberties Union of Hawaii, Faith Based Early Learning Coalition, Hawaii Baptist Early Education Association, and a concerned individual provided comments.

Your Committee finds that early childhood education plays a critical role in determining a child's future success, and there is a clear disparity between children who have access to such education and those who do not. In many cases, this access is a determining factor in whether or not a child enters kindergarten ready to learn.

Unfortunately, even with an increasingly healthy economy, Hawaii's high cost of living prevents many families from gaining access to high-quality early learning experiences for their children. As one of only eleven states that does not publicly fund some type of early childhood education program, it is incumbent upon the State to consider a means by which to ensure that all of Hawaii's youngest residents have the opportunity to develop their innate talent and capacity. It is imperative that all students have the opportunity to enter kindergarten equipped with the skills necessary to maximize their public education experience.

Your Committee finds that this measure provides the framework for a publicly-funded early childhood education program that takes advantage of existing resources and infrastructure to help mitigate and eventually eliminate the achievement gap in Hawaii's public schools. By investing in early childhood education, the State will realize both near- and long-term returns as teachers spend less time on remedial education and discipline and more time helping their students reach their fullest potential.

Additionally, your Committee acknowledges that Hawaii's context for early learning is unique, in that it includes early childhood education delivered in the Hawaiian language and through traditional Hawaiian instruction. Should this measure move forward, your Committee respectfully encourages consideration of how procedures and guidelines may be included to allow the participation of early childhood education programs delivered through Hawaiian medium education.

Your Committee has amended this measure by:

- (1) Clarifying that eligible providers with which the Executive Office on Early Learning is authorized to contract include private providers of early childhood education;
- (2) Specifying that the Early Childhood Education Program is required to prepare children to actively participate in society, in addition to preparing children for school;
- (3) Specifying that the high-quality early childhood education provided through the program must be focused on equity;
- (4) Changing its effective date to upon approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1095, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1095, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Aquino.

SCRep. 981 Higher Education on S.B. No. 46

The purpose of this measure is to protect post-secondary students in the State by establishing the State Post-secondary Education Commission (Commission) within the Department of Commerce and Consumer Affairs (DCCA) to comply with new federal regulations for post-secondary educational institutions. This measure also repeals the current State Post-secondary Education Commission, located within the University of Hawaii.

The Policy Office of the Governor, University of Hawaii, Hawaii Pacific University, Chaminade University of Honolulu, University of Phoenix, Western Interstate Commission for Higher Education, Hawaii Association of Independent Schools, International Quantum University for Integrative Medicine, International University of Professional Studies, and Akamai University supported this bill. The Department of Commerce and Consumer Affairs opposed this measure. The State Procurement Office and University of the Nations provided comments.

Your Committee recognizes that this measure continues to require additional refinement as it progresses through the legislative process. Discussion is on-going regarding whether the regulation of post-secondary educational institutions in the State is most effectively and efficiently accomplished through the establishment of a commission or the development of a program, and it is your Committee's hope that relevant stakeholders come to a consensus on this point.

Additionally, your Committee acknowledges testimony received by unaccredited schools currently subject to the requirements of Chapter 446E, Hawaii Revised Statutes, requesting their exclusion from the regulations proposed by this measure. While the inclusion of unaccredited post-secondary institutions under the proposed regulations may be inadvisable at this time, your Committee appreciates the expressed willingness of these institutions to work with your Committee on Higher Education to find a means by which to ensure appropriate and effective governmental oversight for the benefit of Hawaii's post-secondary students.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "physical presence";
- (2) Specifying that non degree-granting post-secondary educational institutions must be licensed by State of Hawaii entities, rather than any state entity to be exempt from regulation under the Commission;
- (3) Specifying that schools and educational programs that offer courses of instruction exclusively through online and distance education are exempt from regulation under the Commission;
- (4) Deleting the requirement that the chairperson of the Commission be one of the two initial members of the Commission to serve an initial term of three years;
- (5) Explicitly authorizing the University of Hawaii system;
- (6) Deleting provisions that permit a private college or university to operate without accreditation under provisional authorization;
- (7) Authorizing DCCA to assess fees to administer responsibilities delegated to it by the Commission;
- (8) Clarifying that provisions associated with the awarding of degrees applies to specified entities with a physical presence in the State, rather than "doing business" in the State;
- (9) Deleting requirements that DCCA make recommendations to the Commission regarding authorizations;
- (10) Authorizing the Commission to confirm the authorization of an institution;

- (11) Inserting requirements for an institution to maintain authorization, including provisions for automatic suspension upon the loss of accreditation and provisions for automatic probationary status;
- (12) Narrowing the condition for authorization revocation based on a violation of criminal law to those violations that are directly relevant to the institution's authorization status;
- (13) Specifying that an institution has an affirmative duty to cooperate with requests from DCCA for information regarding any investigation or inspection;
- (14) Requiring institutions, upon revocation of authorization due to loss of accreditation, to provide written notice to all students within thirty days;
- (15) Inserting provisions relating to prohibited practices to conform with those applicable to other DCCA licensees;
- (16) Authorizing DCCA to issue sanctions for violations of specified prohibited practices and inserting additional sanctions an institution may be subject to upon specified violations;
- (17) Changing deceptive practices to licensing violations;
- (18) Deleting the requirement that fines be collected in a civil action;
- (19) Clarifying that a claim may be filed with the Commission as a result of loss of tuition or fees due to an institution's cessation of operations;
- (20) Specifying that DCCA shall be responsible, rather than act as a trustee, for specified funds if an authorized private college or university ceases operation;
- (21) Authorizing the Commission and DCCA to initiate complaints based on information received by the Commission;
- (22) Authorizing DCCA to determine the disposition of educational records deposited to it by a regulated institution upon the cessation of the institution's operations;
- (23) Deleting language providing that rules established by the Post-secondary Commission under the University of Hawaii will remain in effect until DCCA adopts new rules;
- (24) Changing its effective date to July 1, 2013; and
- (25) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 46, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 46, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Hanohano, Takai and Fale.

SCRep. 982 Public Safety on S.B. No. 635

The purpose of this measure is to protect law enforcement animals in the line of duty by:

- (1) Amending the existing offenses of causing injury or death to a service dog and intentional interference with the use of a service dog to include law enforcement animals; and
- (2) Adding language to the existing penal code provisions that provides exceptions to the offenses, establishes penalties, provides for restitution to affected parties, establishes an affirmative defense, and defines "law enforcement animal".

The Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and Maui Police Department supported this measure with amendments. The Hawaii Police Department supported the intent of the measure.

Your Committee has amended this measure by:

- (1) Streamlining language in provisions establishing the offenses;
- (2) Clarifying the conduct that constitutes the offense of intentional interference with the use of a service dog or law enforcement animal;
- (3) Deleting the affirmative defense;
- (4) Clarifying provisions related to restitution to owners, entities, or organizations that use law enforcement animals;
- (5) Amending the penalty for causing injury or death to a service dog or law enforcement animal to a class C felony; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 635, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 635, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 983 Public Safety on S.B. No. 74

The purpose of this measure is to allow committed persons to make and sell approved products to generate money to pay for restitution and rehabilitation programs, and to ensure committed persons are financially-stable when they reenter the community. Specifically, this measure:

- (1) Allows committed persons to create approved products and crafts to sell;
- (2) Allocates the proceeds of these sales to reentry and rehabilitation programs and services, the crime victim compensation special fund, and the committed person's individual account; and
- (3) Requires the Department of Public Safety to study other states' practices on the making and sale of arts and crafts by inmates.

The Department of Public Safety, Crime Victim Compensation Commission, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 74, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 984 Public Safety on S.B. No. 69

The purpose of this measure is to promote gun safety and enhance registration requirements for firearms brought into the State. Specifically, this measure:

- (1) Extends the time period for registering a firearm that is brought into the State by an individual from three days to five days after the arrival of the individual or the firearm, whichever is later;
- (2) Requires county police departments, to fingerprint, photograph, and perform background checks on individuals arriving in Hawaii with a firearm procured out-of-state when that firearm is registered;
- (3) Allows the fingerprint and photograph requirement to be waived if the individual's fingerprint and photograph are already on file with the police department;
- (4) Authorizes fees to be assessed for conducting a fingerprint check on an individual registering a firearm brought into Hawaii; and
- (5) Appropriates funds for the counties to implement this measure.

The Department of the Attorney General, Honolulu Police Department, Injury Prevention Advisory Committee, and several concerned individuals supported this measure. The Department of the Prosecuting Attorney of the County of Maui and Hawaii Rifle Association supported the measure with amendments. The Hawaii Police Department supported the intent of the measure. The National Rifle Association of America and numerous concerned individuals opposed this measure. The Maui Police Department and two concerned individuals offered comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring rather than allowing the firearm registration requirement regarding the fingerprinting and photographing of persons arriving in Hawaii with a firearm procured out-of-state to be waived when the applicant's fingerprints and photographs are already on file with the county police department; and
- (2) Changing its effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 69, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 69, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.
(Representative McDermott voted no.)

SCRep. 985 Public Safety on S.B. No. 1179

The purpose of this measure is to amend existing law relating to court orders to provide medical treatment for inmates and detainees in correctional facilities. Specifically, this measure:

- (1) Adds definitions of "danger of physical harm to others" and "danger of physical harm to self";

- (2) Provides for the filing of a petition for involuntary medical treatment in either the district or circuit court;
- (3) Allows for a declaration of the need for involuntary medical treatment to be filed with the petition for involuntary medical treatment as an alternative to an affidavit;
- (4) Changes the time within which a person must be examined from two to five days prior to the filing of a petition for involuntary medical treatment;
- (5) Clarifies the list of persons who are required to be notified of the hearing on the petition for involuntary medical treatment;
- (6) Expands the court's ability to continue the hearing on the petition for involuntary medical treatment for good cause;
- (7) Provides the court greater flexibility in appointing a guardian ad litem or temporary guardian to represent the individual in proceedings for the petition for involuntary medical treatment; and
- (8) Clarifies the effective expiration date of the order for persons who return to custody after release.

The Department of the Attorney General and Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1179, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 986 Public Safety on S.B. No. 509

The purpose of this measure is to propose a constitutional amendment to guarantee crime victims and their immediate surviving family members specific rights related to the information pertaining to and participation in the criminal justice process.

The Crime Victim Compensation Commission, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the City and County of Honolulu, The Sex Abuse Treatment Center, Mothers Against Drunk Driving HAWAII, and two concerned individuals supported this measure. The Department of the Attorney General, Department of Public Safety, Maui Police Department, Department of the Prosecuting Attorney of the County of Maui, and American Civil Liberties Union of Hawaii opposed this measure. The Department of Health, Hawaii Paroling Authority, and a concerned individual offered comments on the measure.

Your Committee has amended this measure by:

- (1) Providing that a crime victim or a deceased victim's surviving immediate family members be offered the opportunity to participate in any process or deliberation that may result in a post-arrest release decision, a negotiated plea, or sentencing of the offender, and the offender's post-conviction release from confinement, including any type of release by the Department of Public Safety;
- (2) Deleting timeliness requirements when referring to decisions on the release of offenders, a negotiated plea, or sentencing of offenders, and the offender's post-conviction release from confinement, including any type of release by the Department of Public Safety;
- (3) Deleting the timeframe regarding restitution for crime victims;
- (4) Inserting provisions to protect the State, counties, and their officials and employees from potential liability; and
- (5) Changing the effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 509, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 987 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1170

The purpose of this measure is to provide the Board of Land and Natural Resources with flexibility in imposing administrative penalties by authorizing the Board to order the performance of community service, suspend or revoke Board-issued licenses or permits, and direct the denial of motor vehicle registration as penalties for violation of rules or statutes related to conservation and resources, caves, or historic preservation.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Nature Conservancy, and three individuals. Hawaii Nearshore Fishermen and one individual submitted testimony in opposition to this measure.

Your Committees have grave concerns regarding the alternate administrative penalties authorized by this measure, particularly the denial of motor vehicle registration. Your Committees respectfully request that your Committee on Judiciary, should it consider this measure, investigate the propriety of authorizing the Board to impose these penalties without the safeguards afforded by the judicial process. Despite these very serious concerns, your Committees find that it is appropriate to move this measure forward for the sake of continued discussion on the issues.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs

that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1170, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 988 Energy & Environmental Protection on S.B. No. 623

The purpose of this measure is to:

- (1) Provide income tax credits for renewable energy technologies for solar energy properties and wind energy properties, rather than for solar energy systems and wind energy systems including by specifying eligibility for and amounts of the credits; and
- (2) Require the Department of Taxation, in collaboration with the Department of Business, Economic Development, and Tourism, to report to the Legislature regarding tax credits claimed for solar and wind-energy properties.

The Sierra Club, Hawaii Chapter; Forest City Hawaii; and an individual provided testimony in support of this measure. The Department of Taxation; Department of Business, Economic Development, and Tourism; Hawaii PV Coalition; Hawaii Solar Energy Association; AlphaStream Capital Management, LLC; Blue Planet Foundation; Clean Power Finance; Distributed Energy Partners; Environmental Caucus of the Democratic Party of Hawaii; The Pacific Resource Partnership; Kairos Energy Capital; Mainstream Energy Corp.; RevoluSun; Rising Sun Solar+Electric; SunEdison; Sunetric; SunPower Systems Corporation; Sunrun, Inc.; Ulupono Initiative; Tax Foundation of Hawaii; Sovereign Councils of the Hawaiian Homelands Assembly; SolarCity; First Wind; Hawaii Energy Connection, LLC; Hawaii Renewable Energy Alliance; Inter-Island Solar Supply; Solar Power Systems International, LLC; and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Eliminating the tiered rate structure for solar energy projects that are larger than one megawatt in alternating current capacity and replacing it with a structure that provides stepped-down investment tax credits;
- (2) Clarifying that residential and commercial solar energy property and wind energy property credits may be claimed in multiple years for properties that do not qualify for other credits; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns regarding the possible retroactivity of the tax credit given the effective date of the measure were raised in discussion. Your Committee notes that its intent in moving this measure forward is not to deprive existing customers of tax credits available under current law for the current year.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 623, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 623, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Fale.

SCRep. 989 Energy & Environmental Protection on S.B. No. 1133

The purpose of this measure is to remove the exemption for liquid dietary supplement containers in amounts greater than one ounce from the deposit beverage container program.

The Department of Health; Sierra Club, Hawaii Chapter; Conservation Council for Hawaii; Zero Waste Kauai; and a few individuals provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1133, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1133, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 990 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.C.R. No. 46

The purpose of this measure is to seek prior authorization of the Legislature by Concurrent Resolution for a term, non-exclusive easement covering approximately 1,268 feet of a portion of state submerged lands identified as TMK No. (1) 4-3-005: seaward of 065 at Lanikai, Koolaopoko, Oahu, for the purpose of maintaining and repairing existing seawall and revetment.

The Department of Land and Natural Resources and an individual testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 46 and recommend its adoption.

Signed by all members of the Committee except Representatives Kawakami and Thielen.

SCRep. 991 Consumer Protection & Commerce on S.B. No. 1042

The purpose of this measure is to improve the flexibility of the Public Utilities Commission in hiring professional staff.

Specifically, this measure removes references to specific office restructuring and position titles required or authorized under statutes related to the Public Utilities Commission.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs Consumer Advocacy Division, the Public Utilities Commission, and the Hawaii Energy Policy Forum.

Your Committee finds that this measure will allow the Chairperson of the Public Utilities Commission to hire personnel with relevant knowledge and experience to enable the Commission to fulfill its rapidly changing regulatory duties.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to facilitate continued discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1042, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1042, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 992 Consumer Protection & Commerce on S.B. No. 1066

The purpose of this measure is to make clarifications and corrections to Hawaii's securities laws.

Specifically, this measure:

- (1) Corrects a grammatical error in the definition of the term "security;"
- (2) Amends the definition of "security" to correctly state the fourth element of an investment contract as determined by the Hawaii Supreme Court in *State v. Hawaii Market Center, Inc.*, 52 Haw. 642, 485 P.2d 105 (1971); and
- (3) Corrects an erroneous citation to the federal Securities and Exchange Act of 1934.

The Department of Commerce and Consumer Affairs submitted testimony in support of this measure. The American Council of Life Insurers submitted written comments on this measure.

Your Committee finds that this measure will make corrections and clarifications to the Hawaii Uniform Securities Act, making it easier to follow and consistent with industry best practices.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1066, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1066, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Har, Ito and Tsuji.

SCRep. 993 Education/Health on S.B. No. 240

The purpose of this measure is to help ensure the availability of effective training for school health aides in a cost-effective manner by:

- (1) Requiring the Department of Health, in consultation with the University of Hawaii School of Nursing and Dental Hygiene, to provide training and clinical direction to all school health aides until June 30, 2014;
- (2) Requiring the Department of Education and Department of Health to enter into a memorandum of understanding on the issue of training for school health aides and submit a copy of the memorandum to the Legislature prior to the Regular Session of 2014; and
- (3) Repealing the requirement that the Department of Education provide career pathways development and training opportunities to all school health aides in the school health services field and other fields within the Department.

The Department of Education, Special Education Advisory Council, and Community Children's Councils supported this bill. The Department of Health supported the intent of this measure.

As affirmed by the records of votes of the members of your Committees on Education and Health that are attached to this report, your

Committees are in accord with the intent and purpose of S.B. No. 240, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Cabanilla, Carroll, Choy, Hanohano and Nakashima.

SCRep. 994 Education on S.B. No. 573

The purpose of this measure is to assist school teachers, special education teachers, school librarians, and counselors by establishing a tax credit for specified expenses paid or incurred by such individuals for supplementary materials acquired for use in the classroom.

The Hawaii State Teachers Association and several concerned individuals supported this measure. IMUA Alliance supported this measure with amendments. A concerned individual opposed this measure. The Department of Taxation, Tax Foundation of Hawaii, and three concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the unspecified cap on the amount of the tax credit is a cap on the amount that may be claimed per taxable year; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 573, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 573, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Nakashima and Takai.

SCRep. 995 Consumer Protection & Commerce on S.B. No. 1039

The purpose of this measure is to make the Public Utilities Commission's process of reporting more efficient.

More specifically, this measure consolidates the Public Utilities Commission special fund report, which is currently required to be submitted annually prior to the convening of each Regular Session of the Legislature, within the Commission's single annual report filing made pursuant to section 269-5, Hawaii Revised Statutes, which is submitted on a fiscal year basis.

Testimony in support of this measure was submitted by the Public Utilities Commission.

Your Committee finds that this measure simplifies the Public Utilities Commission's reporting process by allowing the Commission to submit one annual report to the Legislature that would include all of the Commission's pertinent and relevant finances and functions for the fiscal year. This would enable the Commission to present the required information in one comprehensive publication and reduce the unnecessary use of resources to create multiple, related reports.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1039 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 996 Water & Land on H.C.R. No. 26

The purpose of this measure is to submit the proposed exchange and sale, pursuant to the stipulated final judgment on partition in Napoleon, et al. v. State of Hawaii, et al. of certain land classed as government or crown lands and located at Kahananui, Molokai, Tax Map Keys: (2) 5-6-06:14; (2) 5-6-06:15; (2) 5-6-03:12; (2) 5-6-03:08; and (2) 5-6-03:10 for approval of the Legislature pursuant to section 171-64.7, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and several individuals. Two individuals submitted testimony in opposition to this measure. The Office of Hawaiian Affairs submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 26 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 997 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 551

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, and Operation Enduring Freedom, and service members who engaged in the Global War on Terrorism, Homeland Defense, and Operation Noble Eagle, as well as those who have protected our borders by land, sea, and air by requiring the Office of Veterans Services, with the assistance of the Department of Accounting and General Services and Department of Defense, to develop plans to establish a memorial honoring the veterans of these campaigns within the Historic District of Honolulu.

The National Association for Uniformed Services-Hawaii Chapter (HI-1), Department of Hawaii-Veterans of Foreign Wars of the United States, Veterans of Foreign Wars Post Commander 3855, Veterans of Foreign Wars Post 970, Veterans of Foreign Wars-Hawaii, and a concerned individual testified in support of this measure. The Department of Land and Natural Resources, Department of Accounting and General Services, and Office of Veterans Services supported the intent of this bill.

Your Committee has amended this measure by:

- (1) Specifying that the State Historic Preservation Division shall also assist the Office of Veterans Services in developing plans to establish the memorial;
- (2) Deleting language specifying that the memorial be placed in the Historic District of Honolulu;
- (3) Specifying that the State Historic Preservation Division shall also assist the Office of Veterans Services in submitting the report of their findings and recommendations on the development plans to establish the memorial to the Legislature; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 551, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 551, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 998 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 914

The purpose of this measure is to help streamline the purchase process for consumers who are located abroad and wish to purchase a time share property in Hawaii. Among other things, this bill:

- (1) Authorizes the Governor to appoint Commissioners of Deeds to administer oaths, take acknowledgements, and take proofs of execution in time share transactions outside of the United States in connection with the execution of conveyance documents for time share property located in Hawaii;
- (2) Requires a Commissioner of Deeds to provide consumers a written notice of the effect of the Commissioner's actions and the consumer's rights under Hawaii law and allows the Lieutenant Governor to establish penalties, by rule, for violation of notice requirements;
- (3) Establishes oath, seal, recordkeeping, and bonding requirements for Commissioners of Deeds; and
- (4) Specifies liabilities and limitations on liabilities for Commissioners of Deeds.

The American Resort Development Association; Disney Vacation Development, Inc.; SVO Pacific, Inc.; and Wyndham Vacation Ownership supported this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 914, S.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 999 Housing on S.B. No. 82

The purpose of this measure is to improve the ability of the Hawaii Public Housing Authority (HPHA) to serve its tenants by authorizing HPHA to:

- (1) Receive, use, and dispose of property in support of HPHA's purposes, powers, and programs;
- (2) Receive, subject to certain conditions, any property for the benefit of residents assisted by HPHA programs; and
- (3) Engage the services of volunteers.

HPHA supported this measure.

Your Committee has amended this measure by specifying that the sale of real property by HPHA shall be subject to legislative approval.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 82, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 82, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1000 Housing on S.B. No. 88

The purpose of this measure is to better regulate the consumption of alcoholic beverages in public housing by:

- (1) Prohibiting possessing or keeping any bottle, can, or other receptacle containing any intoxicating liquor that has been opened, has a broken seal, or the contents of which have been partially removed while on any sidewalk or common area within a public housing; and
- (2) Adding state low income housing project to the definition of "public housing project" for the purposes of liquor control.

The Hawaii Public Housing Authority testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 88, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 88, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 1001 Judiciary on S.B. No. 891

The purpose of this measure is to improve the regulation of notaries public by clarifying the information required to be included on a notary seal and authorizing the Attorney General, through the adoption of rules pursuant to Chapter 91, Hawaii Revised Statutes, to:

- (1) Adjust the fee to become a notary public or to renew a notary commission; and
- (2) Establish and adjust other fees related to notaries public.

The Department of the Attorney General submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 891 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1002 Education on S.B. No. 49

The purpose of this measure is to streamline provisions relating to public education by amending and repealing sections of Chapter 302A, Hawaii Revised Statutes, in which Hawaii's public education law is codified, to resolve conflicting and inconsistent statutory language and for the purposes of housekeeping and efficiency.

The Department of Education supported this bill. IMUA Alliance supported this measure with amendments.

Your Committee has amended this bill by:

- (1) Deleting the repeal of:
 - (A) Section 302A-601.5, Hawaii Revised Statutes, which requires the Department of Education to develop procedures to obtain any potential criminal history information for persons employed or seeking employment that places them in close proximity to children and authorizes the Department to refuse employment based upon specified criteria; and
 - (B) Section 302A-602, Hawaii Revised Statutes, which, among other things:
 - (i) Prohibits individuals from serving as a teacher in the Department without a license from the Hawaii Teacher Standards Board;
 - (ii) Requires the Department to establish certificate types and qualifications for individuals not required to obtain a license; and
 - (iii) Authorizes the Department to employ unlicensed individuals as emergency hires; and

making technical, nonsubstantive amendments to conform the measure with these deletions; and
- (2) Making additional technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 49, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No.

49, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Nakashima and Takai.

SCRep. 1003 Education on S.B. No. 238

The purpose of this measure is to provide additional guidance to the Department of Education by amending the definition of student instructional hours for elementary and secondary schools to include specified activities and all other activities to which a related general learner outcome is attached.

The Department of Education, Hawaii Association of Independent Schools, Special Education Advisory Council, and IMUA Alliance supported this bill. The Hui for Excellence in Education supported this measure with amendments. The Hawaii State Teachers Association and several concerned individuals opposed this bill. Three concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that statutorily specified student instructional hour requirements are minimum requirements;
- (2) Narrowing the definition of student instructional hours for secondary schools by removing unspecified activities to which a general learner outcome can be attached; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 238, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 238, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1004 Economic Development & Business on S.B. No. 1003

The purpose of this measure is to enhance protections for State data and information by authorizing the Chief Information Officer to conduct security audits of all Executive Branch departments and agencies regarding the protection of government databases and data communications.

The Office of Information Management and Technology, Department of Accounting and General Services, and Department of Human Resources Development testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1003, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1005 Economic Development & Business on S.B. No. 1001

The purpose of this measure is to amend the composition of the Enhanced 911 Board by replacing the Comptroller with the Chief Information Officer or the Chief Information Officer's designee.

The Department of Accounting and General Services, Office of Information Management and Technology, and T-Mobile USA, Inc., supported this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1001 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1006 Economic Development & Business on S.B. No. 930

The purpose of this measure is to appropriate funds to support the investigative stage of the Pacific International Space Center for Exploration Systems (PISCES) Sustainable Concrete Initiative, contingent upon a dollar-for-dollar match from other sources and to require PISCES to report to the Legislature regarding the Sustainable Concrete Initiative.

Buzz Aldrin Enterprises, LLC; Shackleton Energy Company, Inc.; International Ventures Associates, LTD; Hawaii Aerospace Advisory Committee; a member of the Hawaii County Council, and a few individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism and an individual provided comments on this measure.

Your Committee has amended this measure by expanding its reporting requirement to include, among other things, an updated business plan regarding the aerospace technology research and development park project, details on progress made on other specified projects, and the level of private sector investment in aerospace and related industries.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 930, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 930, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1007 Economic Development & Business on S.B. No. 1000

The purpose of this measure is to align the responsibilities of the Access Hawaii Committee with the State's information technology strategy plan by:

- (1) Designating the Chief Information Officer or the Chief Information Officer's designee as the chair of the Access Hawaii Committee; and
- (2) Requiring the current report of the Access Hawaii Committee to contain the portal manager's annual financial reports.

The Judiciary, Office of Information Management and Technology, and the Department of Accounting and General Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1000, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1008 Economic Development & Business on S.B. No. 1196

The purpose of this measure is to enhance tax enforcement by requiring businesses to offer a receipt or other record for and keep records of all cash-based transactions, excluding casual sales.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1196, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1009 Economic Development & Business on S.B. No. 1261

The purpose of this measure is to assist small businesses producing beer by reducing the gallonage tax on the first 60,000 barrels of beer brewed or produced during a taxable year by a small brewery or brewpub in the State to \$0.23 per gallon of beer.

The Hawaiian Craft Brewers Guild, Maui Brewing Co., and Kauai Island Brewing testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1261, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1010 Human Services on S.B. No. 60

The purpose of this measure is to support victims of crimes by requiring the police or prosecuting attorney to inform victims of crimes and surviving immediate family members of deceased victims of crimes of their right to participate in restorative justice processes.

The Office of Hawaiian Affairs, Community Alliance on Prisons, and many individuals submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 60, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1011 Human Services on S.B. No. 61

The purpose of this measure is to provide important accountability options for juveniles involved with the justice system by allowing children

who are undergoing informal adjustment by a court or another designated agency the option of participating in a restorative justice program.

The Office of Hawaiian Affairs, Hawaii Youth Services Network, Community Alliance on Prisons, American Civil Liberties Union of Hawaii, and many individuals testified in support of this measure. The Office of Youth Services supported the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 61, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1012 Human Services on S.B. No. 98

The purpose of this measure is to reduce income tax liability of low-income taxpayers by amending the existing refundable food/excise tax credit to serve as a nonrefundable low income tax credit and to increase credit amounts for most qualifying taxpayers.

Goodwill Industries of Hawaii, Inc., and two individuals testified in support of this measure. A concerned individual testified in opposition of this measure. The Department of Human Services, Department of Taxation, Tax Foundation of Hawaii, Hawaii Alliance for Community-Based Economic Development, Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, Partners in Care, and PHOCUSED commented on the measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 98, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Cabanilla.

SCRep. 1013 Human Services on S.B. No. 148

The purpose of this measure is to support the deaf, hard of hearing, and deaf-blind community by appropriating unspecified sums for fiscal year 2013-2014 and fiscal year 2014-2015 to establish and operate a comprehensive service center for the deaf, hard of hearing, and deaf-blind.

The Community Alliance for Mental Health, United Self Help, Deaf and Hard of Hearing Advisory Board, and a few individuals testified in support of this measure. The Disability and Communication Access Board supported the intent of the measure. The Department of Human Services provided comments.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 148, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1014 Human Services on S.B. No. 391

The purpose of this measure is to establish a network of service providers that youth may access for safety and to obtain advice, guidance, programs, and services by establishing a Safe Places for Youth Pilot Program. Specifically, this measure:

- (1) Requires the Office of Youth Services to coordinate a two-year Safe Places for Youth Pilot Program; and
- (2) Appropriates an unspecified amount of funds for staff and residential options for the pilot program.

The Department of Education, Hawaii Youth Services Network, IMUAlliance, Blueprint for Change, Adult Friends for Youth, and two individuals testified in support of the measure.

Your Committee finds that there is an urgent need for coordinated supportive services for vulnerable youth, particularly in rural and remote areas of the State. The Safe Places for Youth Project is an important effort to allow youth with unsafe or abusive home or school environments to seek help and services.

Your Committee has amended this measure by:

- (1) Adding dating violence prevention to the list of services to be provided to youth as part of the pilot program; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 391, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 391, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1015 Human Services on S.B. No. 529

The purpose of this measure is to support survivors of rape or sexual assault by:

- (1) Prohibiting family courts from awarding custody of or visitation with a child to a natural parent who has been convicted of rape or sexual assault if the child was conceived as a result of that offense; and
- (2) Authorizing the family courts to terminate parental rights, with respect to a child, of a natural parent who has been convicted of rape or sexual assault if the child was conceived as a result of the rape or sexual assault.

The Hawaii State Commission on the Status of Women and The Sex Abuse Treatment Center testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 529, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1016 Human Services on S.B. No. 888

The purpose of this measure is to clarify child support enforcement reporting requirements for employers by adding the definition of a "new hire" to clarify employers' obligation to report employee identification and employment information to the Child Support Enforcement Agency in accordance with amendments to the Social Security Act made by the Trade Adjustment Assistance Extension Act of 2011.

The Department of the Attorney General submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 888 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1017 Human Services on S.B. No. 1099

The purpose of this measure is to support the self-sufficiency of families by eliminating the asset limit eligibility requirement for participation in the Temporary Assistance for Needy Families (TANF) program for households with minor dependent children.

The Department of Human Services; Office of Community Services; Hawaii State Commission on the Status of Women; Office of Hawaiian Affairs; Hawaii Appleseed Center for Law and Economic Justice; Catholic Charities Hawaii; Goodwill Industries of Hawaii, Inc.; Legal Aid Society of Hawaii; and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1099, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1018 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1275

The purpose of this measure is to improve the efficiency of and provide flexibility to the Kaho'olawe Island Reserve Commission by granting the Kaho'olawe Island Reserve Commission a permanent exemption from the procurement code for the procurement of food or fuel products necessary to carry out its purposes.

The Kaho'olawe Island Reserve Commission testified in support of this measure. The State Procurement Office testified in opposition to this measure.

Your Committee has amended this measure by changing its effective date to June 30, 2013.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1275, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1275, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1019 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 3

The purpose of this measure is to repeal the special election process for the election of Office of Hawaiian Affairs Board of Trustee members and establish a system of nonpartisan primary and general elections to begin with the 2014 election.

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii and an individual provided testimony in support of this measure. Na Koa Ikaika provided testimony in opposition to this measure. The Office of Hawaiian Affairs, Office of Elections, and Elections Division of the County of Kauai provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this

report, your Committee is in accord with the intent and purpose of S.B. No. 3, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1020 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 407

The purpose of this measure is to protect native Hawaiian burial sites by clarifying ambiguous statutory language regarding composition and quorum requirements for island burial councils.

The Department of Land and Natural Resources, Association of Hawaiian Civic Clubs, Society for Hawaiian Archaeology, and an individual provided testimony in support of this measure. The Office of Hawaiian Affairs and the Kahoolawe Island Reserve Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that at least two regional representative seats on each council shall be appointed by the Governor from a list submitted by the Office of Hawaiian Affairs;
- (2) Clarifying the process and timeline by which the Office of Hawaiian Affairs and the Department of Land and Natural Resources submit lists nominating individuals to fill vacancies on the councils;
- (3) Clarifying that notwithstanding the amendments made to the requirements for council members, current sitting council members may serve the remainders of their terms; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the Department of Land and Natural Resources stated that it has not had time to review the language proposed by the Office of Hawaiian Affairs and adopted by your Committee.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 407, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 407, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1021 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 409

The purpose of this measure is to celebrate and encourage the use of the Hawaiian language by designating the month of February as "'Ōlelo Hawai'i Month".

The Office of Hawaiian Affairs and Association of Hawaiian Civic Clubs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 409, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1022 Consumer Protection & Commerce on S.B. No. 633

The purpose of this measure is to clarify that the value of any work done by an unlicensed contractor shall not be used as an offset in calculating the value of the property in unlicensed contractor fraud cases.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, County of Maui Department of the Prosecuting Attorney, County of Maui Police Department, Building Industry Association of Hawaii, Complete Construction Services Corporation, Contractors Association of Kauai, and The Pacific Resource Partnership submitted testimony in support of the measure. The General Contractors Association of Hawaii submitted comments on the measure.

Your Committee finds that the determination of whether conduct is unlicensed contractor fraud in the first or second degree is based upon the total value of property over which the unlicensed contractor obtains control. By permitting an offset of the value of work done by an unlicensed contractor from the total value of the property, the total value of the property is less likely to meet the threshold necessary to constitute the offense. This measure clarifies that no offset for the value of work done by an unlicensed contractor should be permitted when calculating the total property value for these offenses.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 633 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 1023 Consumer Protection & Commerce on S.B. No. 200

The purpose of this measure to require social workers to complete a minimum number of continuing education courses before each triennial renewal of the social worker's license.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Professional and Vocational and Licensing Division; the Hawaii State Commission on the Status of Women; the National Association of Social Workers Hawaii Chapter; the Hawaii Psychological Association; the Hawaii Youth Services Network; and eight individuals.

Your Committee finds that Hawaii is one of only three jurisdictions that do not require continuing education for licensed social workers. Your Committee further finds that requiring all licensed social workers to complete a minimum number of courses in their field prior to each license renewal will ensure that licensed social workers in Hawaii maintain their professional competency and keep abreast of the latest developments in social work.

Your Committee has amended this measure by changing the effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 200, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 200, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 1024 Consumer Protection & Commerce on S.B. No. 1072

The purpose of this measure is to protect consumers by updating the Insurance Code. Specifically, this measure:

- (1) Updates standards and other financial analysis solvency tools used to determine if insurers transacting business in the State pose a hazard to the public, policy holders, or creditors;
- (2) Authorizes the Insurance Commissioner to correct corporate governance practice deficiencies, request business plans, and adjust insurer premiums as corrective measures for hazardous insurers; and
- (3) Updates the applicability of certain Insurance Code provisions to risk retention captive insurance companies.

The Department of Commerce and Consumer Affairs, Hawaii Captive Insurance Council, and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Establishing a thirty-day window for an insurer to request an administrative hearing to contest a regulatory action taken by the Insurance Commissioner;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1072, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1072, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and Tsuji.

SCRep. 1025 Labor & Public Employment on S.B. No. 331

The purpose of this measure is to assist Hawaii's workers by increasing the hourly minimum wage over time and then adjusting it annually in accordance with changes to the consumer price index. Specifically, this bill changes the hourly minimum wage to:

- (1) \$8.25 beginning on January 1, 2014;
- (2) \$8.75 beginning on January 1, 2015;
- (3) \$9.25 beginning on January 1, 2016; and
- (4) An amount adjusted in accordance with changes to the consumer price index beginning on January 1, 2017, and every year thereafter.

The Department of Labor and Industrial Relations; Department of Human Services; United Public Workers, AFSCME, Local 646, AFL-CIO; American Civil Liberties Union of Hawaii; Labor Caucus of the Democratic Party of Hawaii; Democratic Party of Hawaii; Plumbers and Fitters Local 675; Hawaii Appleseed Center for Law and Economic Justice; National Employment Law Project; Hawaii Alliance for Retired Americans; Pride At Work Hawaii; ILWU Local 142; Hawaii State Commission on the Status of Women; UNITE HERE! Local 5; Hawaii Government Employees Association; Hawaii Women's Coalition; Dad's Granola, LLC; and numerous concerned individuals supported this measure. Leilani's on the Beach; Keoki's Paradise; Duke's Waikiki; Hula Grill Waikiki; Duke's Beach House Maui; and TS Restaurants Hawaii supported the intent of this measure. Duke's Kauai and Hula Grill supported this measure with amendments. Hawaii Food Industry Association; Retail Merchants of Hawaii; The Chamber of Commerce of Hawaii; ABC Stores; Gyotaku Japanese Restaurants; Okimoto Corp.; Pomare Ltd., dba Hilo Hattie; Aloha Contracts Services; Panya Group, Restaurant and Bakery;

Tiki's Grill & Bar; Hawaii Restaurant Association; Hawaii Bar Owners Association; National Federation of Independent Business Hawai'i; L&L Franchise, Inc.; City Mill Company, Ltd.; Filipino Chamber of Commerce of Hawaii; Na Pali Sea Tours, Inc.; ITO EN (USA) Inc; Times Supermarket; Auntie Pasto's Kunia/Dixie Grill; Sunshine Lady; Frame 10, dba KBXtreme; and numerous concerned individuals opposed this measure. Hawaii State AFL-CIO, Hukilau Lanai, Kimo's Restaurant, Cool Cat Café, and Captain Jacks Island Grill provided comments.

Your Committee has amended this measure by:

- (1) Changing the increased hourly minimum wage to:
 - (A) \$7.75 beginning on January 1, 2014;
 - (B) \$8.25 beginning on January 1, 2015;
 - (C) \$8.75 beginning on January 1, 2016; and
 - (D) \$9.00 beginning on January 1, 2017; and
- (2) Removing the provision that authorized the Department of Labor and Industrial Relations to adjust the minimum hourly wage in accordance with changes to the consumer price index beginning on January 1, 2017, and every year thereafter.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 331, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 331, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1026 Labor & Public Employment on S.B. No. 868

The purpose of this measure as received by your Committee is to augment the operations and notice requirements of the Hawaii Labor Relations Board to make it more efficient.

Prior to the public hearing on this measure, your Committee circulated a proposed draft of this measure and notified the public that it would be accepting testimony on the proposed draft. The purpose of this proposed draft is to facilitate the collective bargaining process by requiring mandatory and binding arbitration if an employer imposes any term of a collective bargaining agreement proposal without the agreement of the exclusive representative.

Your Committee scheduled a hearing and received testimony on the proposed draft.

A concerned individual supported the proposed draft. The IMUAlliance supported the intent of the proposed draft. The Department of Budget and Finance; University of Hawaii Professional Assembly; Hawaii State Teachers Association; United Public Workers, AFSCME, Local 646, AFL-CIO; and several concerned individuals opposed the proposed draft. A concerned individual provided comments.

Your Committee notes that the proposed measure applies provisions to the listed bargaining units that already apply to all other public employee bargaining units under current law. In addition, your Committee understands that there are concerns regarding the proposed measure, many of which were expressed in testimony. Nonetheless, your Committee has amended the bill as received by adopting the proposed measure and is moving it forward for discussion purposes.

The amendments adopted by your Committee include:

- (1) Mandating the submission of an impasse between the public employer and the exclusive representative of a bargaining unit to binding arbitration if the employer imposes any term of a collective bargaining proposal without agreement of the exclusive representative;
- (2) Providing for the selection of an arbitration panel;
- (3) Establishing procedures for the conduct of arbitration, including the arbitration hearing; and
- (4) Establishing procedures for the issuance of an arbitration decision by the panel.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 868, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 868, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Yamane and Johanson voted no.)

SCRep. 1027 Labor & Public Employment/Public Safety on S.B. No. 883

The purpose of this measure is to establish a new collective bargaining unit for state law enforcement officers and state and county ocean safety and water safety officers

The Department of Land and Natural Resources, Ocean Safety and Lifeguard Services Division of the Emergency Services Department of the City and County of Honolulu, Hawaii Fire Department, Kauai Fire Department, East Hawaii Ocean Safety, Ocean Safety Windward, Hawaiian Lifeguard

Association, and numerous individuals testified in support of this measure. The Department of Public Safety and Hawaii Government Employees Association testified in support of the intent of this measure. An individual testified in opposition to this measure. The State of Hawaii Organization of Police Officers provided comments on this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2013.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 883, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 883, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1028 Energy & Environmental Protection on S.B. No. 497

The purpose of this measure is to preserve and protect Hawaii's beaches from erosion by providing matching funds for the cost of an environmental impact statement associated with the planned beach nourishment project at Kaanapali Beach on the island of Maui.

The Hawaii Tourism Authority and Kaanapali Operations Association testified in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

Your Committee notes the concerns of the Department of Land and Natural Resources that an appropriation of \$400,000 may drain the Beach Restoration Special Fund and hamper future beach restoration efforts. Your Committee therefore requests that the Committee on Finance consider amending this measure, or other related measures, to include provisions aimed at the replenishment of the Beach Restoration Special fund.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 497, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 497, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1029 Energy & Environmental Protection on S.B. No. 454

The purpose of this measure is to enhance water conservation efforts by encouraging the widespread use of gray water for irrigation purposes under certain conditions.

The Department of Health, Department of Land and Natural Resources, Office of Hawaiian Affairs, Hawaii Chapter of the American Society of Landscape Architects, Landscape Industry Council of Hawaii, and numerous concerned individuals supported this measure. The Kula Community Association and a concerned individual opposed this bill. A member of the Maui County Council provided comments.

Your Committee has amended this measure by requiring that gray water usage conform with the State Plumbing Code, Chapter 3-183, Hawaii Administrative Rules, instead of the latest edition of the Uniform Plumbing Code, as copyrighted and published by the International Association of Plumbing and Mechanical Officials.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 454, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 454, S.D. 1, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1030 Energy & Environmental Protection on S.B. No. 1131

The purpose of this measure is to promote environmental protection and sustainability by establishing a tiered glass advance disposal fee based on the capacity of the glass container.

The Department of Health; Department of Environmental Services of the City and County of Honolulu; Conservation Council for Hawaii; Sierra Club, Hawai'i Chapter; and Zero Waste Kauai testified in support of this measure. The Hawaii Food Industry Association, Distilled Spirits Council of the United States, Retail Merchants of Hawaii, Wine Institute, Hawaii Liquor Wholesalers Association, Young's Market Company, and several individuals testified in opposition to this measure. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee notes that this measure has been amended so that the listed glass advance disposal fees are unspecified. Should the Committee on Finance consider this measure, your Committee respectfully requests that the Committee on Finance examine the amount of fees necessary for the Department of Health to effectively run the glass advance disposal fee program.

Your Committee has amended this measure by:

- (1) Adding provisions to clarify the history of the glass advance disposal fee and purpose of the current measure;
- (2) Changing the listed glass advance disposal fee amounts to unspecified amounts;

- (3) Changing its effective date to July 1, 2713; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1131, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1131, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1031 Energy & Environmental Protection/Health on S.B. No. 1143

The purpose of this measure is to support the activities of the Office of Environmental Quality Control and Environmental Council. Specifically, this measure, among other things:

- (1) Establishes the Environmental Review Special Fund to:
 - (A) Support and maintain technology systems for the Office;
 - (B) Support outreach, training, education, and research regarding environmental stewardship; and
 - (C) Provide for the hiring of adequate staff for the Office;
- (2) Establishes fees to enhance the activities of the Office and Council; and
- (3) Appropriates funds from the Environmental Review Special Fund.

The Office of Environmental Quality Control; Hawaii Community Development Authority; Sierra Club, Hawaii Chapter; Conservation Council for Hawaii; Hawaii's Thousand Friends; The Nature Conservancy; and a few individuals provided testimony in support of this measure. The Chamber of Commerce of Hawaii, Complete Construction Services Corp., and an individual provided testimony in opposition to this measure.

Your Committees have amended this measure by:

- (1) Providing that the Office of Environmental Quality Control shall not collect more than \$250,000 in filing fees each year; and
- (2) Exempting the Hawaii Community Development Authority from the payment of filing fees to support the Office of Environmental Quality Control.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1143, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1143, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Jordan and Woodson.

SCRep. 1032 Labor & Public Employment on S.B. No. 877

The purpose of this measure is to authorize the Hawaii Labor Relations Board to provide parties with written notice of a hearing by first class mail and to clarify the powers of the Board, including to compel testimony and the production of evidence and to sanction misconduct, in conducting hearings.

The Hawaii Labor Relations Board and Department of Labor and Industrial Relations testified in support of this measure.

Your Committee has amended this measure by changing its effective date to upon approval.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 877, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 877, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1033 Higher Education on S.B. No. 606

The purpose of this measure is to assist student employees attending University of Hawaii campuses by appropriating an unspecified amount in general revenues to:

- (1) Fund students employed at new or expanded worksites at each University of Hawaii campus; and
- (2) Provide full-time support staff to assist the Vice Chancellor for Students at the University of Hawaii at Manoa with coordination, recruitment, training, and compliance with system-wide procedures and student employment regulations.

Several concerned individuals supported this measure. The University of Hawaii System and University of Hawaii at Manoa supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$5,200,000, for each year of fiscal biennium 2013-2015;
- (2) Changing its effective date to July 1, 2013; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 606, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 606, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1034 Higher Education on S.B. No. 1221

The purpose of this measure is to support the development of aviation and aeronautics in the State by appropriating an unspecified amount in general revenues for a program coordinator and technical support staff member to complete the necessary planning and studies required for an international flight training center and associated proposed aeronautical training programs at Hawaii Community College and the University of Hawaii at Hilo.

The Department of Transportation, Mayor's Office of Hawaii County, Hawaiian Airlines, Hawaii Island Contractors' Association, State Adjutant General, District Three Councilmember of the Hawaii County Council, and several concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism supported the intent of this measure. The University of Hawaii at Hilo, Aviation Exploratory Committee, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$350,000 for each year of fiscal biennium 2013-2015;
- (2) Changing its effective date to July 1, 2013; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1221, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1221, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1035 Higher Education/Economic Development & Business on S.B. No. 1256

The purpose of this measure is to support the development and expansion of the aerospace, robotics, and related industries by appropriating an unspecified amount of general revenues for the Pacific International Space Center for Exploration Systems (PISCES). This measure also requires PISCES to report to the Legislature on its business plan for the Aerospace Technology Research and Development Park project.

The Land Use Research Foundation of Hawaii, District Three Councilmember of the Hawaii County Council, Chairman of the Hawai'i Aerospace Advisory Committee, an astronaut of the Apollo XI Mission, and several concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; and several concerned individuals supported the intent of this measure. The Lieutenant Governor of Alaska provided comments.

Your Committees have amended this measure by:

- (1) Inserting additional language in the preamble to describe PISCES' objectives and proposed projects in greater detail;
- (2) Increasing the scope of the report to the Legislature by requiring PISCES to include:
 - (A) Any progress made toward the development of a world-class space center in Hawaii;
 - (B) The development of technologies for basalt concrete composition and delivery and effect on the level of cement and bitumen imports into the State;
 - (C) The status of all working relationships with educational and research institutions, federal agencies, and local industry on the use of existing basalt resources in the State to identify, verify, and validate sustainable and in-situ concrete binders;
 - (D) Any progress made toward the development of a robotic operator training and certification program, including program location, course and curriculum development, and when the program is expected to begin accepting students;
 - (E) The level of private sector investment in aerospace and related industries, including the number and nature of any

partnerships with private industry to facilitate State-based manufacturing and operations related to green energy technology;

- (F) The status of the memorandum of understanding with Hawaii Techworks and the East Hawaii Community Development Corporation regarding the cultivation of a skilled local workforce to support planned manufacturing operations; and
 - (G) A detailed statement of assets, liabilities, revenues, and expenses for each fiscal year ending June 30;
- (3) Requiring the report to be submitted to the Legislature no later than September 1, 2013, rather than twenty days prior to the convening of the 2014 Regular Session;
 - (4) Amending the scope of the appropriation to make it broader in its application;
 - (5) Inserting an appropriation amount of \$1,200,000;
 - (6) Changing its effective date to July 1, 2013; and
 - (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Higher Education and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1256, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1256, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Takai and Ward.

SCRep. 1036 Energy & Environmental Protection/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 319

The purpose of this measure is to allow the use of thrill craft to conduct ocean cleanup as authorized by the rules of the Department of Land and Natural Resources.

The Department of Land and Natural Resources testified in support of this measure.

Your Committees have amended this measure by:

- (1) Amending the effective date of Act 89, Session Laws of Hawaii 2009, that provides two versions of section 200-37(c), Hawaii Revised Statutes, relating to the use of thrill crafts, to ensure that the transition from the first version into the second version does not leave a temporal gap in the regulation of thrill crafts; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 319, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 319, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Fale.

SCRep. 1037 Judiciary on S.B. No. 858

The purpose of this measure is to clarify that members of boards and commissions whose reappointment to a second consecutive term fails to receive the consent of the Senate may continue in office as a holdover member only until the Senate adjourns sine die.

The Sierra Club, Hawai'i Chapter testified in support of this measure.

Your Committee has amended this measure by:

- (1) Removing language that would have allowed a member of a board or commission whose reappointment failed to receive the consent of the Senate to continue in the member's position until the Senate adjourns sine die, and clarifying that such a member shall not continue in office as a holdover member; and
- (2) Making it effective upon approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 858, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 858, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Lee and Wooley.

SCRep. 1038 Judiciary on S.B. No. 1010

The purpose of this measure to authorize a deputy attorney general, except for the Attorney General's First Deputy, to provide pro bono legal services at the discretion of the Attorney General.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting language that would have limited the Attorney General's discretion to allow deputy attorney generals to provide pro bono legal services where the pro bono activity created an actual or perceived conflict of interest or where services were conducted in a manner to indicate they are done as part of the deputy attorney general's official duties;
- (2) Clarifying that any deputy attorney general who provides pro bono legal services shall be subject to all applicable rules prescribed by the Hawaii Supreme Court pursuant to section 605-6, Hawaii Revised Statutes;
- (3) Removing language that would have limited the pro bono services a deputy could provide to certain persons or entities;
- (4) Requiring the Attorney General to defend a deputy attorney general who in good faith provides pro bono legal services under this section in an action or proceeding that arises from providing such services;
- (5) Making the measure effective upon its approval; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1010, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1010, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1039 Human Services on S.B. No. 1100

The purpose of this measure is to find alternative means to help fund the State's General Assistance benefit payments by allowing the Department of Human Services to draw from other funds appropriated to the Department other than those specifically allocated to the General Assistance Program.

The Department of Human Services, Legal Aid Society of Hawaii, Catholic Charities Hawaii, and one individual submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Requiring the Department of Human Services to submit to the Legislature a report detailing the funds used and calculations made for General Assistance pursuant to this measure for fiscal year 2012-2013 no later than 20 days prior to the convening of the Regular Session of 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1100, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1100, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1040 Human Services on S.B. No. 306

The purpose of this measure is to continue discussions on the Medicaid Buy-In proposal by extending the termination date of the Medicaid Buy-In Task Force to June 30, 2014, and requiring the submission of an interim and final report by the Task Force.

The State Council on Developmental Disabilities and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 306, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1041 Energy & Environmental Protection on S.B. No. 120

The purpose of this measure is to authorize the Public Utilities Commission to establish a policy to implement specified economic incentives and cost recovery regulatory mechanisms, as necessary and appropriate, to:

- (1) Induce and accelerate electric utilities' cost reduction efforts;
- (2) Encourage greater utilization of renewable energy;
- (3) Accelerate the retirement of utility fossil fuel electric generation infrastructure; and

- (4) Increase investments to modernize the State's electrical grid.

The Department of Business, Economic Development, and Tourism; Public Utilities Commission; Blue Planet Foundation; and Sierra Club, Hawai'i Chapter provided testimony in support of this measure. Life of the Land and a few individuals provided testimony in opposition to this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1042 Agriculture on S.B. No. 757

The purpose and intent of this measure is to help ensure the viability of the State's livestock industry by:

- (1) Appropriating unspecified funds to continue the Livestock Revitalization Program;
- (2) Adjusting the amount of the subsidy received under the Program to the lesser of an unspecified amount per year or an unspecified percentage of food costs incurred per year for production of poultry products, milk, or pigs and beef cattle raised and slaughtered and fish or crustaceans aquaculturally farmed in Hawaii for local consumption;
- (3) Expanding the livestock subsidy to include feed costs incurred by qualified producers of goat milk with a herd of at least 25 lactating milking goats per fiscal quarter;
- (4) Expanding the livestock subsidy to include feed costs incurred by qualified producers of sheep or lamb that are raised, slaughtered, processed, and marketed in the State with annual sales of at least 30 sheep or lambs; provided that the herd shall not fall five percent below 30 sheep per fiscal quarter;
- (5) Expanding the livestock subsidy to include feed costs incurred by qualified producers of fish or crustaceans, farmed by aquacultural practices, with current annual sales of at least 2,000 pounds; provided that sales shall not fall five percent below 500 pounds per fiscal quarter;
- (6) Prohibiting the reimbursement of feed costs to qualified producers when the amount of reimbursement will result in an annual profit of more than an unspecified percentage for sheep, lamb meat, or seafood producers; and
- (7) Requiring funds for the Program to be expended from the Agricultural Development and Food Security Special Fund.

The Department of Agriculture; Hawaii Aquaculture and Aquaponics Association; Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau Federation; and numerous individuals testified in support of this measure. The Hawaii Pork Industry Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Lowering the number of sows needed for pig farmers to qualify as "qualified producers" from 50 to 20 for the purposes of qualifying for livestock revitalization grants;
- (2) Specifying that qualified producers will not be eligible for livestock revitalization grants when the herd size of the qualified producer falls five percent below 20 sows, rather than 50 sows, in any two months of an applicable fiscal quarter; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 757, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1043 Agriculture/Economic Development & Business on S.B. No. 524

The purpose of this measure is to enhance food security and self-sufficiency in the State by:

- (1) Establishing state economic planning and policy objectives regarding increased demand for, access to, and production of locally grown foods; and
- (2) Appropriating funds to support the objective of food security and self-sufficiency.

The Department of Agriculture, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, and League of Women Voters of Hawaii testified in support of this measure. The Department of Agriculture supported the intent of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 524, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Brower.

SCRep. 1044 Agriculture/Economic Development & Business on S.B. No. 993

The purpose of this measure is to support local farming by expanding the agricultural loan program offered by the Department of Agriculture to include a new loan for farm innovations and expanded eligibility for the new farmer loan.

The Department of Agriculture, Ulupono Initiative, Hawaii Farm Bureau Federation, and one individual testified in support of this measure.

Your Committees have amended this measure by:

- (1) Authorizing the Department to issue a new class of loans for biosecurity projects and making necessary conforming amendments to existing statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 993, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 993, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Brower.

SCRep. 1045 Health on S.B. No. 423

The purpose of this measure is to correct the terminology used for the organization that issues guidelines for in vitro fertilization clinics by amending references to the "American College of Obstetric and Gynecology" to the "American College of Obstetricians and Gynecologists".

The Office of the Auditor testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 423 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1046 Health on S.B. No. 1074

The purpose of this measure is to regulate the practice of physical therapist assistants by:

- (1) Requiring physical therapist assistants to obtain licensure to practice in the State;
- (2) Allowing physical therapist assistants to be licensed without necessity of an examination if certain qualifications are met;
- (3) Providing exemptions to the licensure requirement if certain criteria are met;
- (4) Allowing a physical therapist to use support personnel, such as physical therapist assistants, if they meet certain requirements;
- (5) Adding a licensed physical therapist assistant to serve as a member on the Board of Physical Therapy;
- (6) Appropriating funds out of the Compliance Resolution Fund to implement the licensure of physical therapist assistants; and
- (7) Requiring a surcharge to be assessed to reimburse the Compliance Resolution Fund.

The Board of Physical Therapy, The Queen's Health Systems, Kaiser Permanente Hawaii, Hawaii Chapter of the American Physical Therapy Association, and several concerned individuals supported this measure. The Occupational Therapy Association of Hawaii supported the intent of this measure.

Hawaii is the only state in the nation where physical therapist assistants are not regulated. Your Committee notes that physical therapist assistants must have graduated from a Commission on Accreditation in Physical Therapy Education-approved curriculum and have passed a national examination, as well as be licensed, in order to provide services that are reimbursed by Medicare and/or Medicaid. The lack of licensure by physical therapy assistants has an impact on these reimbursements.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1074, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1047 Health on S.B. No. 1124

The purpose of this measure is to facilitate expenditures from the Dietitian Licensure Special Fund to support the activities and costs associated with administering the Dietitian Licensure Program by:

- (1) Establishing an expenditure ceiling for the Dietitian Licensure Special Fund;
- (2) Requiring the transfer of funds in excess of the expenditure ceiling to the general fund; and
- (3) Requiring the Department of Health to submit a report to the Legislature on the status of the Dietitian Licensure Special Fund no later than 20 days prior to the convening of each regular session.

The Department of Health and the Hawaii Dietetic Association supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1124, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1048 Health on S.B. No. 105

The purpose of this measure is to require the Department of Health's Emergency Medical Services and Injury Prevention System Branch to establish and maintain a statewide fall prevention and early detection program.

The Executive Office on Aging, Maui Falls Prevention Coalition, American Medical Response, Injury Prevention Advisory Committee, and several individuals supported this measure. The Department of Health submitted comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 105, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1049 Health on S.B. No. 1339

The purpose of this measure is to ensure that the State's rural communities will continue to receive federal funds for services by designating areas in the State as rural for the purposes of participation in federal programs that accept state definitions of a rural area.

The Department of Health, Office of Hawaiian Affairs, and Healthcare Association of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1339, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1050 Health on S.B. No. 1336

The purpose of this measure is to support access to acute, long term, and emergency medical care in our State by designating Kahuku Medical Center as a rural hospital for an unspecified amount of time to enable the Center to maintain its status as a critical access hospital.

Hawaii Health Systems Corporation; Kahuku Medical Center; Healthcare Association of Hawaii; and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure. The Department of Health supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1336, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1051 Health on S.B. No. 199

The purpose of this measure is to facilitate early detection of colorectal cancer and assist individuals who have been diagnosed with it by establishing the two-year Hawaii Colorectal Cancer Screening Awareness Pilot Program.

The Department of Health, The Queen's Health Systems, Hawaii Medical Association, and American Cancer Society Cancer Action Network testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 199, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1052 Health on S.B. No. 1076

The purpose of this measure is to ensure consistency within, and further establish standards for, the practice of acupuncture in the State by specifying requirements for using the title of "Doctor of Acupuncture" or the designation of "D.Ac.", or the term "Doctor" or prefix "Dr." with the term "Acupuncturist", for licensees who have graduated from:

- (1) An accredited institution located in the United States or United States territory; or
- (2) A foreign institution and whose transcripts and curriculum have been evaluated by a Board of Acupuncture-approved and designated professional evaluator.

This measure also repeals the requirement that the Board of Acupuncture adopt rules to establish standards for the use of the title "Doctor of Acupuncture" or the designation of "D.Ac".

The Board of Acupuncture supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1076 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1053 Health on S.B. No. 1075

The purpose of this measure is to ensure sound standards and competence within the physical therapy profession by among other things:

- (1) Requiring physical therapists who practice in the State to submit evidence of completing a specified amount of continuing competence units when renewing their license to practice physical therapy;
- (2) Specifying content standards and subject matter requirements for continuing competence;
- (3) Stipulating the authorized providers of continuing competence units; and
- (4) Requiring the physical therapist to submit evidence of completion of the required continuing competence units.

The Board of Physical Therapy, The Queen's Medical Center, and the Hawaii Chapter of the American Physical Therapy Association supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1075 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1054 Health on S.B. No. 106

The purpose of this measure is to enhance services for the elderly by:

- (1) Establishing and appropriating funds in unspecified amounts for an Alzheimer's disease and related dementia services coordinator position within the Executive Office on Aging;
- (2) Appropriating funds in unspecified amounts for the Aging and Disability Resource Center, Kupuna Care Program, and Healthy Aging Partnership Program; and
- (3) Appropriating funds in unspecified amounts for grants pursuant to Chapter 42F, Hawaii Revised Statutes, to Catholic Charities of Hawaii for the Lanakila Multi-Purpose Senior Center, the Moiliili Senior Center, and the Waikiki Community Center.

The Department of Community Services of the City and County of Honolulu; County of Hawaii Office of Aging; Catholic Charities Hawaii; Hawaii Alliance for Retired Americans; Waikiki Community Center; AARP Hawaii; Healthcare Association of Hawaii; Ka'u Rural Health Community Association, Inc.; ILWU Local 142; and numerous individuals testified in support of this measure. The State Council on Developmental Disabilities; Child & Family Services, Goodwill Industries of Hawaii; Lanakila Pacific; and Partners in Development Foundation testified in support of the intent of this measure. The Executive Office on Aging and Moiliili Community Center Senior Center Program provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 106, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1055 Housing on S.B. No. 84

The purpose of this measure is to expand the scope of the definition of "public housing project" to include any housing project controlled or managed by the Hawaii Public Housing Authority pursuant to federally assisted housing.

The Hawaii Public Housing Authority and an individual testified in support of this measure.

Your Committee has amended this measure by specifying that the definition of "public housing project" shall not apply to state low-income housing projects.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 84, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 84, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 1056 Labor & Public Employment on S.B. No. 905

The purpose of this measure is to provide a legislative means to fund the Hawaii Employer-Union Health Benefits Trust Fund costs for the employees in collective bargaining unit (9) and their excluded counterparts.

Your Committee received written comments in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (9) are currently in negotiations, and this measure is necessary to appropriate funds for the expected costs of that agreement for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 905, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1057 Education on S.B. No. 239

The purpose of this measure is to improve the administration of the annual conference of secondary school students by:

- (1) Incorporating the statutory provisions governing the secondary school students conference into Chapter 302A, Hawaii Revised Statutes, which contains statutory provisions governing public education;
- (2) Removing the limitation regarding the format the conference must follow and requiring the student conference committee, with guidance from the student conference advisory committee, to recommend the format;
- (3) Removing the statutory requirement that the Governor appoint the members of the student conference committee and instead requiring that the members be selected by the Superintendent of Education and the Hawaii Association of Independent Schools, as specified;
- (4) Removing the statutory requirement that the Governor assign one or more staff members to assist with the conduct of the conference;
- (5) Requiring the student conference advisory committee to guide the student conference committee in its duties;
- (6) Removing the statutorily established composition of the advisory committee and requiring instead that the Department of Education maintain guidelines and procedures for its establishment;
- (7) Deleting the three-day time limit on the annual conference of students;
- (8) Requiring the annual conference of students to be subject to program and funding limitations; and
- (9) Removing the statutory requirement for an evaluation of student conference proceedings.

The Department of Education and Hawaii Association of Independent Schools supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 239, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 239, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1058 Education on S.B. No. 1082

The purpose of this measure is to provide greater flexibility to the Department of Education in the contracting of student transportation by repealing certain statutory regulations pertaining to student transportation including, among other things:

- (1) Factors the Department must consider when developing transportation policy, procedures, and programs;

- (2) Requirements related to school bus contract extensions and school bus contractor compensation; and
- (3) Specified limits on the age of school bus vehicles and requirements for periodic refurbishment.

The Department of Education and Board of Education supported this bill. The Acting State Auditor provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1082, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1059 Education on S.B. No. 1083

The purpose of this measure is to increase competition in contracting for student transportation services by exempting contracts for student transportation from statutory requirements for wage certification.

The Department of Education and Board of Education supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1083, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1083, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1060 Water & Land/Agriculture on S.B. No. 1077

The purpose of this measure is to provide better regulatory oversight for owner-builders by, among other things:

- (1) Limiting the exemption from licensing as a contractor to residential or farm construction;
- (2) Clarifying owner-builder responsibilities for compliance with construction and labor law; and
- (3) Requiring disclosures by licensed subcontractors at the time a homeowner signs a contract for construction services regardless of the homeowner's owner-builder status.

The Department of Commerce and Consumer Affairs; City and County of Honolulu Department of Planning and Permitting; Building Industry Association of Hawaii; Contractors License Board; Subcontractors Association of Hawaii; Pacific Resource Partnership; and two concerned individuals testified in support of this measure. The General Contractors Association of Hawaii offered comments.

Your Committees note that Hawaii's owner-builder law covers a variety of scenarios, from owner-builders seeking to build for their immediate or extended family members to owner-builders who repeatedly obtain the exemption to buy, build, and sell. Your Committees are concerned that the increase in fines for owner-builder violations may be too harsh for first time owner-builders who are clearly building for self or family members. Your Committees recommend the inclusion of language that gives the enforcement agency the ability to determine fines based on a review of the circumstances of each case.

Therefore, your Committees have amended this measure by:

- (1) Granting the contractors licensing board the flexibility to determine fine amounts based on the circumstances of each case; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1077, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1077, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Kawakami, Lee and Thielen.

SCRep. 1061 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 722

The purpose of this measure is to require the Department of Accounting and General Services to inventory and maintain in a comprehensive asset management system information about public buildings, facilities, and sites owned or operated by state agencies and located on public trust land.

The Association of Hawaiian Civic Clubs and one individual submitted testimony in support of this measure. The Department of Accounting and General Services, Department of Land and Natural Resources, and Office of Information Management & Technology submitted comments.

Your Committees find that the ultimate, long-term goal of this measure, the efficient and resource-effective management of public buildings,

facilities, and sites located on public trust land, is laudable. However, your Committees recognize the practical limitations involved in the establishment of a department-specific asset management system, particularly in context of the State's current efforts to establish an integrated Enterprise Resource Planning system that includes an asset management function, which is slated to become operational in 2016. Your Committees find that although requiring the Department of Accounting and General Services to establish its own asset management platform would be an inefficient use of resources, enabling the Department to serve as a collection point for already-existing information from other state departments and agencies will aid the Office of Information Management & Technology in its efforts by facilitating the data-gathering process.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that required the Department of Accounting and General Services to create an asset-management information system for public buildings, facilities, and sites on lands of the public land trust as well as related language regarding the Department's information gathering and aggregation functions;
- (2) Deleting language requiring all other state agencies to transfer to the Department the agencies' information infrastructure related to inventory and management of public buildings, facilities, and sites and to submit annual inventory updates to the Department;
- (3) Clarifying that the Department's role in creating an asset management system shall be limited to accepting inventory information from state agencies;
- (4) Requiring the Department to report to the 2014 Legislature on its progress in accepting inventory information from other state agencies and adjusting the agencies' reporting deadline accordingly; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 722, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 722, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Kawakami.

SCRep. 1062 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1371

The purpose of this measure is to promote the study of Hawaiian culture, history, and language, in accordance with article X, section 4 of the Hawaii State Constitution, by requiring the Department of Land and Natural Resources to accommodate the mooring in state small boat harbors of native Hawaiian canoes operated by an educational entity.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources and two individuals. One individual submitted testimony in opposition to this measure.

Your Committees have amended this measure by:

- (1) Specifying that the accommodations required by this measure shall be available to entities operated exclusively for educational purposes;
- (2) Directing, rather than authorizing, the Chairperson of the Board of Land and Natural Resources to make rules for the accommodation of native Hawaiian canoes;
- (3) Changing its effective date to upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that this measure stimulated a productive discussion on the nature of the accommodation required and the important interests of various users of state small boat harbors. Your Committees note that the rulemaking process required by this measure will afford an opportunity for community input and consideration of important community interests in these public facilities, particularly the interests of persons engaged in subsistence fishing, some of whom also use native Hawaiian canoes for their purposes.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1371, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1371, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1063 Agriculture on S.B. No. 937

The purpose of this measure is to increase food security and food self-sufficiency in Hawaii by:

- (1) Creating the Hawaii Food Resiliency Initiative under the Department of Agriculture;
- (2) Establishing the Hawaii Food Resiliency Task Force to develop and administer the Hawaii Food Resiliency Initiative; and
- (3) Authorizing the moneys in the Agricultural Development and Food Security Special Fund to be used to fund positions within the Department of Agriculture.

The Ulupono Initiative, Haiku Aina Permaculture Initiative, League of Women Voters of Hawaii, and a concerned individual supported this measure. The Land Use Research Foundation of Hawaii opposed this bill. The Department of Agriculture, Office of Planning, and a few concerned individuals offered comments.

Your Committee has amended this measure by:

- (1) Appropriating an unspecified sum to the Department of Agriculture to develop and implement the Hawaii Food Resiliency Initiative; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 937, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 937, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1064 Agriculture on S.B. No. 482

The purpose of this measure is to encourage beekeeping operations in the State by exempting home-based agricultural producers of honey from processing honey in a certified honey house or food processing establishment and the requirement to obtain a permit from the Department of Health, if the producer, among other things:

- (1) Sells less than 500 gallons of honey per year;
- (2) Sells honey directly to consumers or to a retail store that sells honey directly to consumers;
- (3) Labels each container with the statement, "Honey should not be consumed by infants under one year of age.";
- (4) Attends a Department of Health approved food safety workshop class and passes the food safety certification exam; and
- (5) Keeps records of honey production volume and distribution for two years and makes the records available to the Department of Health.

The Department of Agriculture; Maui Natural Bee, LLC.; and several concerned individuals testified in support of this measure. The Department of Health, Hawaii Farmers Union United, Hawaii Farm Bureau Federation, and a few concerned individuals offered comments.

Your Committee has amended this measure by:

- (1) Adding language to the required label contents to convey to the consumer that the honey product has not been inspected by the Department of Health;
- (2) Providing that the State and counties shall not be liable for claims associated with honey distributed by home-based agricultural producers of honey, except under certain circumstances; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 482, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 482, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola, Choy and Ohno.

SCRep. 1065 Agriculture on S.B. No. 593

The purpose of this measure is to support the livestock industry by amending the Livestock Revitalization Program by, among other things:

- (1) Expanding the livestock feed subsidy to include feed for milking goats, and sheep, lambs, goats, fish, and crustaceans produced for consumption as food;
- (2) Adding goat milk to the definition of milk; and
- (3) Appropriating funds to the Livestock Revitalization Program for the livestock feed subsidy program and other administrative costs.

The Department of Agriculture; Hawaii Aquaculture and Aquaponics Association; Maili Moa, LLC; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; and a few concerned individuals testified in support of this measure. The Hawaii Pork Industry Association offered comments.

Your Committee has amended this measure by:

- (1) Creating a livestock feed developer subsidy to aid those in the business of cultivating feed crops for sale to qualified producers;

- (2) Providing that both the livestock feed subsidy and the livestock feed developer subsidy funds be distributed on a pro rata basis upon aggregation of total claims by the Department of Agriculture;
- (3) Changing the minimum production requirements to qualify as a qualified producer of poultry, pork, or beef;
- (4) Changing the minimum flock, herd, or sale weight size to qualify for the livestock feed subsidy for birds, cows, sows, or finished beef cattle; and
- (5) Authorizing a portion of the appropriation to be used for the livestock feed developer subsidy.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 593, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 593, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1066 Agriculture/Economic Development & Business on S.B. No. 327

The purpose of this measure is to support healthy living initiatives by amending the Hawaii State Planning Act to include policy provisions which encourage:

- (1) State residents, businesses, and governmental bodies to purchase and use Hawaii-grown food; and
- (2) State residents and visitors to support Hawaii's farmers by purchasing locally grown products.

The Office of Planning, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, Hawaii Island School Garden Network Kohala Center, and a few individuals testified in support of this measure. The Department of Agriculture, Department of Land and Natural Resources, Aurora Foundation, and numerous individuals provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that State residents, businesses, and governmental bodies are encouraged to purchase and use specifically Hawaii-grown food and food products, rather than Hawaii-grown products generally; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 327, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 327, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Brower.

SCRep. 1067 Agriculture/Health on S.B. No. 326

The purpose of this measure is to promote food safety by:

- (1) Establishing a Good Agricultural Practices Task Force to identify and develop guidelines aimed at ensuring effective food safety and agricultural practices throughout the farm-to-consumer food supply system; and
- (2) Appropriating an unspecified amount for the administrative costs of the Task Force.

The Department of Agriculture, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, and an individual testified in support of this measure.

Your Committees have amended this measure by:

- (1) Specifying that at least one of the four Good Agricultural Practices Task Force members representing agricultural producers statewide shall represent the interests of organic farmers;
- (2) Adding a member representing the interests of farmers' markets to the Good Agricultural Practices Task Force; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 326, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 326, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll and Cheape.

SCRep. 1068 Tourism/Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 170

The purpose of this measure is to expand the powers and duties of the Hawaii Tourism Authority to include perpetuating the uniqueness of the

native Hawaiian culture and community that is important to the quality of the visitor experience in Hawaii. Specifically, this measure requires the Hawaii Tourism Authority to ensure that:

- (1) Native Hawaiian culture is accurately portrayed by Hawaii's visitor industry;
- (2) The Hawaiian language is supported and normalized as an official language of the State and as the foundation of the host culture;
- (3) Native Hawaiian cultural practitioners and cultural sites that give value to Hawaii's heritage are supported, nurtured, and engaged in sustaining the visitor industry; and
- (4) A native Hawaiian cultural education and training program is provided for the visitor industry workforce having direct contact with visitors.

The Hawaii Tourism Authority and a concerned individual supported this measure. The Department of Transportation supported the intent of this measure.

Your Committees have amended this measure by making it effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Tourism and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 170, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 170, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Ward.

SCRep. 1069 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 403

The purpose of this measure is to provide greater flexibility to the Office of Hawaiian Affairs in issuing revenue bonds and expending the revenues derived therefrom. Specifically, this measure, among other things:

- (1) Provides that the interest on revenue bonds issued by the Board of Trustees of the Office of Hawaiian Affairs be excluded from gross income for federal income tax purposes;
- (2) Expands the purposes for which revenues from the issuance of bonds may be expended, including funding loan programs;
- (3) Defines "loan program" and clarifies the definitions of "office project" and "revenues of the office"; and
- (4) Allows the Board of Trustees of the Office of Hawaiian Affairs to refund outstanding bonds without further authorization from the Legislature.

The Association of Hawaiian Civic Clubs and an individual provided testimony in support of this measure. The Office of Hawaiian Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the resolutions authorizing the issuances of bonds may pledge to the payment thereof for any part of the revenue from an office project, a loan program, or of the office and that the pledge also constitutes a lien of such loan program or programs;
- (2) Making this measure effective upon its approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that there may be issues with regard to the provisions relating to the federal tax code and respectfully requests that the Department of the Attorney General review the federal tax code and this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 403, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 403, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1070 Ocean, Marine Resources, & Hawaiian Affairs/Public Safety on S.B. No. 404

The purpose of this measure is to enhance the Corrections Population Management Commission's capacity to examine the issue of the disproportionate number of Native Hawaiians in the criminal justice system by adding two new members to the Commission. Specifically, this bill adds to the Commission:

- (1) The Administrator of the Office of Hawaiian Affairs; and
- (2) One member of the public who is knowledgeable about issues relating to the criminal justice system and has substantial experience or expertise in traditional Native Hawaiian practices.

The Office of Hawaiian Affairs, Department of Public Safety, Association of Hawaiian Civic Clubs, and Community Alliance on Prisons provided testimony in support of this measure. Na Koa Ikaika provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 404 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Lowen, Takumi, Yamashita, Fale and McDermott.

SCRep. 1071 Judiciary on S.B. No. 889

The purpose of this measure is to clarify that a court may award attorney's fees and litigation costs to the Department of the Attorney General in cases in which the State prevails.

The Department of the Attorney General and one concerned individual testified in support of the measure. The Sierra Club, Hawaii Chapter submitted comments.

Your Committee has amended this measure by:

- (1) Clarifying that attorney's fees and litigation costs may be awarded to the Department of the Attorney General when the State is the prevailing party in a court action and where an award of attorney's fees and litigation costs is expressly authorized by statute, rule of court, agreement, stipulation, or precedent;
- (2) Amending the effective date to be effective upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 889, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 889, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1072 Water & Land on S.B. No. 1166

The purpose of this measure is to increase the conveyance tax rate on transactions involving certain high-value properties and to direct the increased revenues to the Rental Housing Trust Fund and the Natural Area Reserve Fund by increasing the respective portions of conveyance tax revenues allocated to those funds.

The Department of Agriculture; Department of Taxation; Department of Land and Natural Resources; Big Island Invasive Species Committee; The Nature Conservancy of Hawai'i; Catholic Charities Hawaii; Coordinating Group on Alien Pest Species; Hawai'i Appleseed Center for Law and Economic Justice; The Trust for Public Land; Ulupono Initiative; Partners in Care; Leeward Housing Coalition; Sierra Club, Hawai'i Chapter; Windward Ahupua'a Alliance; Hawaii Green Growth Initiative; Hawaii Invasive Species Council; Oahu Invasive Species Committee; Hawaii Conservation Alliance; and numerous individuals submitted testimony in support of this measure. Hawai'i Association of REALTORS, The Chamber of Commerce of Hawaii, BIA-Hawaii, Hawaii Hunting Association, NAIOP Hawaii, the Land Use Research Foundation of Hawaii, and several individuals submitted testimony in opposition to this measure. One individual submitted comments.

Your Committee has amended this measure by:

- (1) Increasing the portion of conveyance tax proceeds allocated to the Rental Housing Trust Fund to 40 percent; and
- (2) Increasing the portion of conveyance tax proceeds allocated to the Natural Area Reserve Fund to 35 percent.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1166, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1166, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1073 Water & Land on S.B. No. 305

The purpose of this measure is to authorize the Hawaii Public Housing Authority to develop public housing projects, including by developing commercial, industrial, and other properties under the jurisdiction of the Authority upon a determination that the commercial, industrial, or other property or use will be an integral part of the public housing project or a benefit to the community.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority, Department of Planning and Permitting of the City and County of Honolulu, and General Contractors Association of Hawaii. Hawaii's Thousand Friends submitted testimony in opposition to this measure. The Department of Land and Natural Resources, Windward Ahupua'a Alliance, and one individual submitted comments.

Your Committee has amended this measure by:

- (1) Clarifying that the Authority's public land development authorization does not extend to conservation lands;
- (2) Clarifying that commercial, industrial, or other properties developed by the Authority shall be subject to disposition by lease only and not sale, and shall be at economical rents with rents, not sales, in similar locations and with similar terms; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 305, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 305, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1074 Housing on S.B. No. 86

The purpose of this measure is to clarify the law regarding tax exemptions for public housing agencies by:

- (1) Placing the tax exemption provisions for public housing agencies under the laws relating to the Hawaii Public Housing Authority;
- (2) Removing the tax exemption provisions for public housing agencies from the laws relating to the Hawaii Housing Finance and Development Corporation; and
- (3) Correcting a technical reference regarding the definition of "public housing agency" pursuant to the United States Housing Act of 1937.

The Hawaii Public Housing Authority testified in support of this measure. The Hawaii Housing Finance and Development Corporation testified in support of this measure with amendments. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the provision that would repeal language regarding the tax exemption for public housing agencies from the laws relating to the Hawaii Housing Finance and Development Corporation; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 86, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 86, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1075 Housing/Labor & Public Employment on S.B. No. 1118

The purpose of this bill is to enable the Hawaii Public Housing Authority to recruit and retain appropriately skilled and trained personnel by:

- (1) Lifting the current cap on the salaries of the Hawaii Public Housing Authority Executive Director and Executive Assistant to; and
- (2) Providing the salaries of other key executive management personnel whose qualifications require public housing or affordable housing experience capped at,

an amount not to exceed compensation limits imposed by the United States Department of Housing and Urban Development.

The Hawaii Public Housing Authority Board of Directors and the Hawaii Public Housing Authority supported this measure. An individual commented on this measure.

Your Committees note that a competitive compensation package consists of salary, and vacation, sick leave, insurance, retirement, and other benefits to attract and retain capable employees. As such, your Committees respectfully request the Committee on Finance to consider not only the Hawaii Public Housing Authority employee salaries that are specified in the measure, but to take into consideration the total compensation package that includes state benefits to employees.

Your Committees have amended this bill by:

- (1) Specifying that the other key executive management personnel are the positions of chief financial management advisor, property management branch chief, chief planner, and redevelopment officer; and
- (2) Providing that the salaries set by the Board of Directors of the Hawaii Public Housing Authority for key executive management personnel shall be capped at an amount equal to the Governor's salary.

As affirmed by the records of votes of the members of your Committees on Housing and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1118, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1118, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Jordan, Takumi, Yamane and Yamashita.

SCRep. 1076 Housing on S.B. No. 94

The purpose of this measure is to add the Executive Director of the Hawaii Public Housing Authority to the Hawaii Interagency Council on Homelessness.

The Department of Human Services and Department of Health supported this measure. The Hawaii Public Housing Authority supported the intent of this bill.

Your Committee has amended this measure by:

- (1) Eliminating the provision that adds the Executive Director of the Hawaii Public Housing Authority to the Hawaii Interagency Council on Homelessness;
- (2) Providing for the appointment of a House of Representatives member and a Senate member to serve as alternate members on the Hawaii Interagency Council on Homelessness in the absence of the House and Senate member, respectively; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 94, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 94, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1077 Health/Human Services on S.B. No. 1139

The purpose of this measure is to promote healthy child development and strengthen families by:

- (1) Establishing the Hawaii Home Visiting Program within the Department of Health to identify families of newborns at risk for poor health and safety outcomes, including child abuse and neglect, through hospital-based screening and home visiting services; and
- (2) Appropriating funds for the Hawaii Home Visiting Program.

The Department of Health, Executive Office on Early Learning, Child & Family Service, Hawaii Family Support Institute, March of Dimes Foundation, Hawaii Chapter, Catholic Charities Hawaii, and several individuals supported this measure.

Your Committees note that this measure is substantially similar to H.B. No. 908, H.D. 2, which passed out of the House Committee on Finance and crossed-over to the Senate. After due consideration, your Committees find that the substantive and nonsubstantive differences found in H.B. No. 908, H.D. 2, provide a preferable alternative in accomplishing the purpose of this bill as received.

Accordingly, your Committees have amended this bill by:

- (1) Clarifying that the tools used to provide proactive, universal screening of newborns' families under the Hawaii Home Visitation Program be validated for identifying levels of risk for poor health and safety outcomes and child abuse and neglect;
- (2) Changing its effective date to July 1, 2030; and
- (3) Making technical, nonsubstantive amendments to conform to the provisions of H.B. No. 908, H.D. 2.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1139, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1139, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1078 Health/Human Services on S.B. No. 516

The purpose of this measure is to remove the time period on actions to determine paternity brought during the pendency of adoption proceedings and for good cause in the absence of adoption proceedings.

The Legal Aid Society of Hawaii testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 516, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1079 Health/Human Services on S.B. No. 1102

The purpose of this measure is to appropriate emergency funding to the Department of Human Services to ensure:

- (1) Continued timely payments to hospitals in the State; and
- (2) There is no disruption in the provision of medically-necessary services to Medicaid program recipients.

This bill appropriates \$43,000,000 out of the Hospital Sustainability Program Special Fund for fiscal year 2012-2013 to be used consistent with the Hospital Sustainability Program Special Fund, including the reimbursement of moneys advanced in fiscal year 2012-2013 from the Health Care Payments Program (HMS 401).

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 207 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to avoid any delay in payment to hospitals for fiscal year 2012-2013.

The Department of Human Services, Hawaii Pacific Health, Healthcare Association of Hawaii, and North Hawaii Community Hospital supported this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1102 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1080 Health/Human Services on S.B. No. 936

The purpose of this measure is to continue the Hospital Sustainability Program by amending Act 217, Session Laws of Hawaii (SLH) 2012, known as the Hospital Sustainability Program Act, and extending the sunset date of Act 217, SLH 2012.

Among other things, this measure also:

- (1) Updates the referral dates in the statute;
- (2) Revises the funding amount for the Hospital Sustainability Program for fiscal year 2013-2014; and
- (3) Exempts hospitals not in operation during calendar year 2012 from the hospital sustainability fee on inpatient and outpatient care services.

The Department of Human Services, Hawaii Health Systems Corporation, Hawaii Pacific Health, Healthcare Association of Hawaii, North Hawaii Community Hospital, and United Public Workers, AFSCME, Local 646 supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 936, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 936, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1081 Health/Human Services on S.B. No. 1237

The purpose of this measure is to extend the operation of the Nursing Facility Sustainability Program. Specifically, this measure amends Act 156, Session Laws of Hawaii 2012, by:

- (1) Extending the repeal date of the Nursing Facility Sustainability Program to June 30, 2014;
- (2) Appropriating \$12,000,000 out of the Nursing Facility Sustainability Program Special Fund to be used for purposes consistent with the special fund; and
- (3) Making changes to existing provisions to enhance clarity and style.

The Department of Human Services, Hawaii Health Systems Corporation, Hawaii Long Term Care Association, Healthcare Association of Hawaii, Hale Makua Wailuku, Hale Makua Health Services, and Pearl City Nursing Home testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1237, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Jordan.

SCRep. 1082 Health on S.B. No. 343

The purpose of this measure is to take proactive steps to make prevention of tooth decay among Hawaii's children a top priority by, among other things:

- (1) Requiring the Director of Health to participate in the national oral health surveillance system;
- (2) Allowing dental hygienists to apply preventative sealants in a school-based dental sealant program or at a federally qualified health center;
- (3) Requiring the Department of Health to:
 - (A) Establish and administer a school-based dental sealant program in a high-need demonstration school; and
 - (B) Submit a report to the Legislature prior to the Regular Session of 2015 on its efforts in implementing the school-based dental sealant program; and
- (4) Appropriating funds for the Department of Health to establish and administer a school-based dental sealant program in a high-need demonstration school.

The Department of Education, State Council on Developmental Disabilities, Hawaii Dental Hygienists' Association, and Hawaii Primary Care Association supported this measure. An individual supported this measure with amendments. The Department of Health and an individual supported the intent of this measure. The Hawaii Dental Association and an individual opposed this bill. The Board of Dental Examiners and an individual submitted comments.

Your Committee has amended this bill by:

- (1) Clarifying that a dental hygienist can apply preventative sealants, in consultation with a licensed dentist, in a school-based dental sealant program or at a federally qualified health center; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 343, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 343, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1083 Health on S.B. No. 137

The purpose of this measure is to protect consumers of home care services by appropriating funds to establish a full-time permanent position in the Department of Health to facilitate the licensing of home care agencies.

The Healthcare Association of Hawaii supported this measure. The Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 137, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1084 Health on S.B. No. 655

The purpose of this measure is to protect public health by allowing health care professionals to dispense or prescribe medication, without examination, to the heterosexual partners of patients diagnosed with a sexually transmitted disease, in accordance with the recommendations of the Centers for Disease Control and Prevention for Expedited Partner Therapy.

The Department of Health, Hawaii State Commission on the Status of Women, The Chamber of Commerce of Hawaii, American Congress of Obstetricians and Gynecologists, Hawaii Association of Professional Nurses, Healthy Mothers Healthy Babies Coalition of Hawaii, Gay Lesbian Bisexual and Transgender Caucus of the Democratic Party of Hawaii, Hawaii State Democratic Women's Caucus, Hawaii Women's Coalition, Planned Parenthood of Hawaii, and many concerned individuals testified in support of this measure. The Hawaii Medical Association and a concerned individual testified in support and provided amendments to this measure. The Hawaii Association for Justice testified in opposition of this measure. The Hawaii Medical Board provided comments on this measure.

Your Committee notes that concerns were raised regarding the breadth of the liability immunity provided in the current draft of this measure. Should the committees on Consumer Protection and Commerce and Judiciary consider this measure, your Committee respectfully requests that they explore measures taken by other states to address restricting or broadening liability protections.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 655, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 655, S.D. 2, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1085 Health on S.B. No. 498

The purpose of this measure is to improve the provision of effective pre-hospital care on Maui by appropriating funds to establish a twenty-four-hour, seven-days-a-week special emergency medical response unit based in Maalaea, Maui, including the acquisition of a vehicle, purchase of equipment, and personnel costs for staffing by a state licensed paramedic.

The Hawaii State Rural Health Association, American Medical Response, Maui County Paramedics Association, Ma'alaea Community Association, Healthcare Association of Hawaii, and numerous individuals supported this measure. The Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 498, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1086 Health on S.B. No. 1254

The purpose of this measure is to protect public health and safety and assist the City and County of Honolulu Emergency Medical Services Division with expanding emergency medical services and ambulance services in Ewa Beach by appropriating funds for increasing the on-call availability of such services in Ewa Beach to 24 hours per day.

The City and County of Honolulu Emergency Medical Services Division, United Public Workers, American Medical Response, Healthcare Association of Hawaii, Pali Momi Medical Center, and two individuals supported this measure. The Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1254, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1087 Higher Education on S.B. No. 1388

The purpose of this measure is to address the administration of and procedures at the Research Corporation of the University of Hawaii by, among other things:

- (1) Reducing the number of members of the Board of Directors from ten to eight and the number of members of the Board of Directors who are members of the University of Hawaii Board of Regents from five to two;
- (2) Specifying that of the members of the Board of Directors appointed by the Governor, one must be a University of Hawaii research faculty member, one must be from the business sector, one must be a representative of a non-University of Hawaii research organization, and two must be from the general public;
- (3) Including the Vice President for Research of the University of Hawaii System as a nonvoting ex officio member of the Board of Directors;
- (4) Repealing the Research Corporation's exemption from the Procurement Code with respect to construction contracts where an unspecified amount or more of state funds is to be used;
- (5) Repealing the President of the University of Hawaii's role as the President of the Research Corporation; and
- (6) Limiting the salary of the Research Corporation's Executive Director to no more than two times the salary of the highest paid head of an Executive Branch department.

The Policy Office of the Governor supported this measure. The University of Hawaii opposed this measure. The State Procurement Office, Research Corporation of the University of Hawaii, Subcontractors Association of Hawaii, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that two members of the Research Corporation's Board of Directors be members from the general public;
- (2) Reducing the number of members of the Research Corporation's Board of Directors appointed by the Governor to three from five;
- (3) Requiring that one member of the Research Corporation's Board of Directors be appointed by the President of the Senate and one be appointed by the Speaker of the House of Representatives;
- (4) Modifying the procurement exemption for certain, specified construction contracts;
- (5) Changing its effective date to July 1, 2013; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1388, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as

S.B. No. 1388, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1088 Higher Education on S.B. No. 563

The purpose of this measure is to address concerns with the University of Hawaii Board of Regents and Regents Candidate Advisory Council by amending the form and function of the Regents Candidate Advisory Council. More specifically, this measure, among other things:

- (1) Places the re-configured Candidate Advisory Council for the Board of Regents of the University of Hawaii temporarily within the Office of the Governor;
- (2) Details the duties and responsibilities of the Candidate Advisory Council, including disclosure requirements and the development and implementation of a fair and independent procedure by which to rate candidates for the Board of Regents;
- (3) Establishes a timeline for the filling of vacancies on the Board of Regents;
- (4) Requires that appointees to the Candidate Advisory Council meet specified qualifications; and
- (5) Specifies factors the Senate must consider in determining whether to confirm a nominee to the Board of Regents.

The Policy Office of the Governor supported this measure. The Officers of the Association of Emeritus Regents of the University of Hawaii supported the intent of this bill. The Officers of the Regents Candidate Advisory Council of the University of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Candidate Advisory Council be placed temporarily within the Office of the Governor;
- (2) Reducing the number of the Governor's appointees from five to four;
- (3) Specifying that one member of the Candidate Advisory Council will be a representative of the University of Hawaii Alumni Association;
- (4) Including as an ex-officio, nonvoting member on the Candidate Advisory Council a member of the Association of Emeritus Regents of the University of Hawaii;
- (5) Deleting the requirement that each member of the Candidate Advisory Council serve for the duration of the term of the person by whom the member was appointed;
- (6) Providing that the members of the Candidate Advisory Council, rather than the Governor, select the chairperson of the Council;
- (7) Requiring that removal of a University of Hawaii Regent by the Governor be for cause;
- (8) Requiring that the election of the chairperson and vice chairperson of the Board of Regents take place at the board's first meeting after June 30, rather than at a meeting preceding July 1, of each year;
- (9) Repealing the authorization of the Board of Regents to elect up to two vice chairpersons;
- (10) Providing that the chairperson and vice chairperson will serve until the adjournment of the first meeting of the Board of Regents after June 30 of the following year;
- (11) Specifying that the chairperson and vice chairperson may not be elected prior to the appointment of regents whose terms are to begin on July 1;
- (12) Changing its effective date to upon its approval; and
- (13) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 563, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 563, S.D. 3, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1089 Labor & Public Employment on S.B. No. 907

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (9) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (9) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 907, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1090 Labor & Public Employment on S.B. No. 904

The purpose of this measure is to provide a legislative means to fund a pending arbitration award for Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (9) and their excluded counterparts for the fiscal biennium 2011-2013.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association. The Department of Budget and Finance submitted comments on the measure.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (9) entered into binding arbitration regarding Hawaii Employer-Union Health Benefits Trust Fund cost items for fiscal biennium 2011-2013 and that this measure is necessary to appropriate funds for the expected costs of that award.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 904, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1091 Labor & Public Employment on S.B. No. 908

The purpose of this measure is to provide a legislative means to fund the collective bargaining cost items for the employees in collective bargaining unit (9) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association. The Department of Budget and Finance submitted comments on the measure.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (9) are currently in arbitration regarding cost items for fiscal biennium 2011-2013 and that this measure is necessary to appropriate funds for an arbitration award.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 908, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1092 Labor & Public Employment on S.B. No. 1057

The purpose of this measure is to fulfill the Legislature's responsibility to establish public employer contribution amounts to the Employer-Union Health Benefits Trust Fund if an impasse occurs in a collective bargaining negotiation.

Specifically, the measure establishes employer contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund (EUTF) health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts.

Your Committee received testimony in opposition of this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that the public employer and the exclusive representative for collective bargaining unit (10) were at an impasse in collective bargaining negotiations regarding contribution amounts for plan years 2011-2012 and 2012-2013 for EUTF health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts. Because an agreement could not be reached regarding the employer contribution amounts to the trust fund, the public employer is required by law to submit its recommendation for contributions to the Legislature. This measure establishes the public employer's recommended contributions designed to effectuate fifty percent employer contribution levels for collective bargaining unit (10) and their excluded counterparts. These rates are identical for employees in other collective bargaining units under existing collective bargaining agreements.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1057, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1093 Labor & Public Employment on S.B. No. 909

The purpose of this measure is to provide a legislative means to fund the Hawaii Employee-Union Health Benefits Trust Fund costs for executive

branch employees in collective bargaining unit (13) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (13) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 909, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1094 Labor & Public Employment on S.B. No. 911

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (13) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (13) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 911, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1095 Labor & Public Employment on S.B. No. 885

The purpose of this measure is to promote more meaningful discussion during the negotiation process relating to employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) by, among other things:

- (1) Repealing the prohibition against using arbitration to resolve impasses or disputes relating to state and county EUTF contributions;
- (2) Repealing the Legislature's role in determining state and county contribution amounts where agreement cannot be reached; and
- (3) Permitting bargaining unit members to use state and county EUTF contributions as a basis for striking.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure. The Department of Budget and Finance testified in opposition of this measure. The Department of the Attorney General, University of Hawaii, and Department of Human Resources of the City and County of Honolulu provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2113, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 885, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 885, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1096 Labor & Public Employment on S.B. No. 895

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for executive branch employees in collective bargaining unit (2) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (2) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 895, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1097 Labor & Public Employment on S.B. No. 896

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (2) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (2) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 896, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1098 Labor & Public Employment on S.B. No. 906

The purpose of this measure is to provide a legislative means to fund the Hawaii Employee-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (3) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (3) are currently in negotiations for an agreement to fund Hawaii Employee-Union Health Benefits Trust Fund cost items for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 906, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1099 Labor & Public Employment on S.B. No. 910

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (3) and their excluded counterparts.

The Department of Budget and Finance submitted testimony in support of this measure.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (3) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 910, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1100 Labor & Public Employment on S.B. No. 897

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for executive branch employees in collective bargaining unit (4) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (4) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 897, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1101 Labor & Public Employment on S.B. No. 898

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (4) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (4) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 898, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1102 Labor & Public Employment on S.B. No. 899

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (6) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (6) are currently in negotiations for an agreement to fund Hawaii Employer-Union Health Benefits Trust Fund cost items for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 899, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1103 Labor & Public Employment on S.B. No. 901

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (6) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (6) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 901, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1104 Labor & Public Employment on S.B. No. 902

The purpose of this measure is to provide a legislative means to fund the Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (8) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (8) are currently in negotiations for an agreement to fund Hawaii Employer-Union Health Benefits Trust Fund cost items for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 902, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1105 Labor & Public Employment on S.B. No. 903

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (8) and their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the State and the exclusive representative of collective bargaining unit (8) are currently in negotiations for an agreement for fiscal biennium 2013-2015 and that this measure is necessary to appropriate funds for the expected costs of that agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 903 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 1106 Public Safety/Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 680

The purpose of this measure is to establish the operational infrastructure to help ensure the health and safety of the people of Hawaii. Specifically, this measure:

- (1) Creates a homeland security law and establishes within the State Department of Defense a State Homeland Security Office to be headed by the Adjutant General;
- (2) Provides that the Administrator of Homeland Security, who is appointed by the Adjutant General, is exempt from civil service under Chapter 76, Hawaii Revised Statutes;
- (3) Specifies the Adjutant General's responsibilities, including preparing comprehensive plans and programs for homeland security and homeland defense; developing and maintaining a list of critical infrastructure; fostering coordination on security matters with all nations of the Pacific region to the extent permitted under federal law; and soliciting and managing funds; and
- (4) Authorizes the establishment of county organizations for homeland security.

The State Adjutant General, State Fire Council, Kauai Fire Department, Honolulu Police Department, County of Hawaii Civil Defense Agency, Hawaii Fire Department, County of Maui Department of Fire and Public Safety, and two concerned individuals supported this measure. Two concerned individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Public Safety and Veterans, Military, & International Affairs, & Culture and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 680, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 680, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Choy, Ichiyama and Takumi.

SCRep. 1107 Public Safety on S.B. No. 1015

The purpose of this measure is to clarify the reciprocity provision under existing law that requires compliance with the service of process issued by or in another state upon a Hawaii recipient. Specifically, this measure clarifies that a Hawaii person or business, excluding a government agency, shall comply with service of process for production of records in a criminal investigation or proceeding if the person or business being served has conducted business or engaged in transactions occurring at least in part in the issuing state.

The Department of the Attorney General, Honolulu Police Department, and Department of the Prosecuting Attorney of the City and County of Honolulu supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1015, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 1108 Public Safety on S.B. No. 1176

The purpose of this measure is to improve the parole system in Hawaii by ensuring the timely nomination of new members to the Hawaii Paroling Authority, requiring the release of parole hearing decisions within a specified timeframe after the hearing, and establishing the quorum required to take action on matters before the Hawaii Paroling Authority. Specifically, this measure:

- (1) Allows the Chief Justice of the Hawaii Supreme Court, Director of Public Safety, president of the Hawaii State Bar Association, and president of the Hawaii Chapter of the National Association of Social Workers to appoint designees to represent them on the Hawaii Paroling Authority nomination panel that nominates members of the Authority for the Governor's consideration;
- (2) Requires certain information regarding parole decisions by the Hawaii Paroling Authority to be made public no more than 30 days after a parole release hearing; and
- (3) Requires three Hawaii Paroling Authority panel members for a quorum for a parole release hearing, unless there is a recusal due to a conflict of interest, in which case two panel members will satisfy the quorum requirement.

The Department of Public Safety supported this measure. The Hawaii Paroling Authority supported the measure with amendments. The Department of the Attorney General offered comments on the measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Hawaii Paroling Authority publicize the reason why a prisoner's parole request was denied; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1176, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1176, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 1109 Public Safety on S.B. No. 1177

The purpose of this measure is to improve the effectiveness of the Reentry Commission and ensure commitments made on behalf of the Department of Public Safety are carried through by replacing the Reentry Coordinator with the Director of Public Safety as an ex officio nonvoting member of the Reentry Commission. The Commission works with the Department of Public Safety in monitoring and reviewing the Comprehensive Offender Reentry Program.

The Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1177 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 1110 Public Safety on S.B. No. 1180

The purpose of this measure is to require the Administrator of the Narcotics Division of the Department of Public Safety to assess the degree of danger of a controlled substance pursuant to specified criteria when making an emergency scheduling of a controlled substance and to post notice 30 days before an emergency scheduling action becomes effective.

The Department of the Attorney General and Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1180 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 1111 Public Safety on S.B. No. 1181

The purpose of this measure is to require certain inmates on furlough who are employed to support their dependent children, to provide restitution for victims of crime, and satisfy their obligations to the courts and the corrections system. Specifically, this measure establishes priorities for the allocation of income, including child support; specifies the percentage of earnings that shall be deducted to satisfy outstanding orders regarding restitution, crime victim compensation, and other fees and fines; and provides that the Director of Public Safety determine the rate of reimbursement to the State for the cost of room and board.

The Department of Public Safety supported this measure.

Your Committee has amended this bill by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1181, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1181, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Ichiyama and Takumi.

SCRep. 1112 Judiciary on S.B. No. 381

The purpose of this measure is to amend the Pilot Comprehensive Public Funding Program for Elections to the Hawaii County Council (Program) established under Act 244, Session Laws of Hawaii 2008, by:

- (1) Limiting the number of candidates eligible to receive comprehensive public funding under the Program to twenty-five candidates per election period; and
- (2) Changing the Program's funding formula to the average amount of money spent by winning candidates in the last two county election cycles in every district.

The League of Women Voters of Hawaii and numerous concerned individuals testified in support of this measure. The Campaign Spending Commission provided comments.

Your Committee has amended this measure by:

- (1) Reducing the number of candidates eligible to receive comprehensive public funding under the Program to fifteen;
- (2) Appropriating an unspecified amount to fund the Program; and
- (3) Making the measure effective upon approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 381, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 381, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1113 Judiciary on S.B. No. 879

The purpose of this measure is to encourage the cooperation of witnesses by increasing the amount of the per diem stipend for out-of-state witnesses and allowing additional compensation for witnesses who must travel to another island when an overnight stay is required.

The Crime Victim Compensation Commission, the Department of the Prosecuting Attorney of the City and County of Honolulu, and the Hawaii Tourism Authority supported this measure. The Department of Budget and Finance submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the per diem rate for out-of-state witnesses shall increase from \$110 to \$145 and that witnesses traveling from another island within the State who are required to stay overnight shall receive an additional \$90 per twenty-four hour day; and
- (2) Making the measure effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 879, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 879, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll and Wooley.

SCRep. 1114 Housing/Human Services on S.B. No. 91

The purpose of this measure is to reduce homelessness by appropriating funds for:

- (1) The State Rent Supplement Program to assist homeless working individuals or families who are ready to rent permanent housing to obtain and maintain permanent housing, and to cover administrative costs to operate the Program, subject to certain conditions; and
- (2) The Department of Human Services to hire and train a program specialist to monitor the State Rent Supplement Program and contract for the implementation of the Program statewide.

The Hawaii Appleseed Center for Law and Economic Justice, Hawaii Youth Services Network, Hawaii Substance Abuse Coalition, and a concerned individual supported this measure. The Hawaii Public Housing Authority, Catholic Charities Hawaii, Institute for Human Services, and Partners in Care supported this bill with amendments. The Department of Human Services supported the intent of this measure.

Upon careful consideration, your Committees have amended this measure by:

- (1) Deleting the appropriation for the Department of Human Services to hire and train a program specialist to monitor the State Rent Supplement Program and contract for implementation of the program statewide;
- (2) With respect to the appropriation for the State Rent Supplement Program:
 - (A) Clarifying that the funds are for working individuals or families, irrespective of whether or not they are homeless, who are

ready to rent permanent housing to obtain and maintain permanent housing;

- (B) Eliminating provisions regarding the use of funds for administrative costs to operate the State Rent Supplement Program;
 - (C) Providing that no individual or family who receives public assistance or other government benefits or entitlements can qualify to receive the moneys appropriated in this measure;
 - (D) Eliminating the condition that a household must expend at least 40 percent of its income before qualifying to receive the maximum rent supplement of \$300 per month;
 - (E) Eliminating the condition that the rent supplement be made available through programs that provide support for workers to increase self-sufficiency; and
 - (F) Changing the expending agency to the Department of Human Services; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 91, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 91, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fukumoto.

SCRep. 1115 Economic Development & Business on S.B. No. 697

The purpose of this measure is to enhance the continuity of the Hawaii Aerospace Advisory Committee by extending the terms of Aerospace Advisory Committee members from two years to four years.

The Department of Business, Economic Development, and Tourism and an individual testified in support of this measure.

Your Committee notes that Committee discussion raised the issue of whether the staggering of terms, given the extension of aerospace advisory committee member terms from two to four years, could be handled by the Governor administratively. Should the Committee on Finance consider this measure, your Committee respectfully requests that this issue be considered.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 697 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1116 Economic Development & Business on S.B. No. 1349

The purpose of this measure is to provide support for scientific innovation in the State by:

- (1) Reestablishing the income tax credit for qualified research activities that applies to taxable years beginning after December 31, 2013, through December 31, 2017; and
- (2) Requiring that the Department of Business, Economic Development, and Tourism conduct studies to measure the effectiveness of the tax credit and submit reports to the Legislature.

Pukoa Scientific; Navatek, Ltd; Eyekon Systems; Oceanit; Cardax Pharmaceuticals, Inc.; Makai Ocean Engineering, Inc.; Black Ivory Biotech, Inc.; Concentris Systems; Aloha Medical Supply of the Pacific, Inc.; AMS Naturals; The Chamber of Commerce of Hawaii; and three concerned individuals supported this measure. The Department of Taxation, Hawaii Strategic Development Corporation, High Technology Development Corporation, NovaSol, and Tax Foundation of Hawaii offered comments.

Your Committee has amended this measure by:

- (1) Removing a provision which asserts that references to the base amount shall not apply and a provision that allows for qualified research expenses may be taken without regard to the amount of expenses for previous years, to conform with the Internal Revenue Code, and
- (2) Making technical, nonsubstantive amendments for the purposes of style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1349, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1349, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1117 Economic Development & Business on S.B. No. 1280

The purpose of this measure is to encourage the development of efficient energy systems in Hawaii by authorizing the issuance of special purpose

revenue bonds to assist Kona SWAC, LLC, in constructing a portion of a seawater air conditioning district cooling system.

Kona SWAC, LLC supported this measure. The Department of Budget and Finance offered comments.

Your Committee has amended this measure by:

- (1) Changing the authorized maximum amount of the special purpose revenue bonds to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1280, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1280, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1118 Economic Development & Business on S.B. No. 961

The purpose of this measure is to increase governmental effectiveness by establishing information-sharing procedures between various departments and agencies by:

- (1) Requiring departments and agencies to share information to improve government operations, unless otherwise prohibited by law;
- (2) Requiring the Chief Information Officer to oversee the sharing of information among departments and agencies; and
- (3) Appropriating funds for department and agency information-sharing programs.

The Office of Information Management and Technology testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 961, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1119 Economic Development & Business on S.B. No. 345

The purpose of this measure is to update the fees associated with the licensing of portable electronic insurance vendors to align more closely with similar licensing fees in other jurisdictions.

Asurion testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 345, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1120 Economic Development & Business on S.B. No. 470

The purpose of this measure is to prohibit retailers from passing certain credit card surcharges on to consumers.

The Hawaii Credit Union League, Hawaii Bankers Association, and an individual testified in support of this measure. The Retail Merchants of Hawaii and Hawaii Food Industry Association provided comments on this measure.

Your Committee has amended this measure by changing its effective date to January 20, 2050, to encourage further discussion, and making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 470, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 470, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1121 Consumer Protection & Commerce on S.B. No. 913

The purpose of this measure is to clarify current obligations under the State's time sharing plans law.

More specifically, this measure:

- (1) Clarifies that a time share plan's disclosure of the financial obligation of the purchaser shall consist of a statement that the purchaser is obligated to pay the initial price in the purchase agreement and a list or description of any additional charges, rather than the initial price itself and the additional charges; and
- (2) Clarifies that the prohibition against a sales agent or acquisition agent making a contract with a purchaser prior to delivering a promised promotional device or instrument to the purchaser does not require the sales agent or acquisition agent to provide the promotional device or instrument prior to making a sales presentation.

Testimony in support of this measure was received from American Resort Development Association, Starwood Vacation Ownership, and Wyndham Vacation Ownership. Comments were received from the Department of Commerce and Consumer Affairs.

Your Committee finds that the technical amendments of this measure will increase operational efficiencies for time share developers and conform the time share law to current sales and marketing practices without compromising the level of consumer protection currently afforded under the law.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 913, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 1122 Consumer Protection & Commerce/Judiciary on S.B. No. 1265

The purpose of this measure is to amend the regulation of owner's agreements with an attorney to locate, deliver, recover, or assist in the recovery of property that is presumed abandoned by:

- (1) Exempting an owner's agreement with an attorney to file a claim as to identified property or contest the administrator's denial of a claim from the application of the entire section 523A-25, Hawaii Revised Statutes; and
- (2) Specifying that an owner's agreement with an attorney to file a claim or contest the denial of a claim and that provides for compensation shall not exceed twenty-five percent of the total value of the property.

The Collection Law Section of the Hawaii State Bar Association testified in support of this measure.

Your Committees have amended this measure by:

- (1) Increasing the amount of enforceable compensation allowed from ten to twenty-five percent of the total value of the property for all owner's agreements to locate, deliver, recover, or assist in the recovery of property that is presumed abandoned; and
- (2) Changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1265, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1265, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Har and Ito.

SCRep. 1123 Consumer Protection & Commerce on S.B. No. 505

The purpose of this measure is to support and encourage the use of mediation to settle condominium-related disputes by:

- (1) Adding "support for mediation of condominium related disputes" as an educational purpose to be funded by the Condominium Education Trust Fund;
- (2) Establishing an additional annual Condominium Education Trust Fund fee of \$1 per condominium unit to be dedicated to support the mediation of condominium related disputes, and paid beginning with the July 1, 2015, biennium registration;
- (3) Setting the additional Condominium Education Trust Fund fee at a total of \$3 per unit until the Real Estate Commission adopts rules pursuant to Chapter 91, Hawaii Revised Statutes; and
- (4) Requiring the Real Estate Commission to make adjustments to the Condominium Education Trust Fund to ensure that adequate funds are available for mediation of condominium related disputes and enable the Commission to fully accommodate requests for mediation received prior to July 1, 2015.

The Community Associations Institute Hawaii Chapter, Mediation Center of the Pacific, and an individual testified in support of this measure. The Judiciary, Hawaii Real Estate Commission, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the amount of the annual Condominium Education Trust Fund fee to be paid beginning with the July 1, 2015, biennium registration, from \$1.00 to \$1.50;

- (2) Specifying that professionally trained mediators to be used for condominium dispute mediation services include retired judges and individuals who have appropriate professional mediation training; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 505, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 505, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Carroll, Har, Tsuji and McDermott.

SCRep. 1124 Consumer Protection & Commerce on S.B. No. 997

The purpose of this measure is to clarify the duties of the State Archivist.

More specifically, this measure:

- (1) Requires the State Archivist to administer a digital archive program;
- (2) Establishes the state archivist preservation and long-term access special fund for the preservation and long-term access to government records;
- (3) Requires that all fees collected by the State Archives be deposited into the state archivist preservation and long-term access special fund; and
- (4) Authorizes the State Archivist to charge a fee for certain documents filed or registered by the public.

The Department of Accounting and General Services submitted testimony in support of this measure.

Your Committee finds that establishing a centralized location for digital records will reduce costs by eliminating duplicate government services, as well as improve services to the public. A single location for digital records will also assist agencies with long-term storage needs and archival requirements. Your Committee further finds that revenues from the state archives preservation and long-term access special fund will help to ensure that records of historical, cultural, and intellectual value will be properly maintained and accessible to future generations.

Your Committee has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 997, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 997, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 1125 Consumer Protection & Commerce on S.B. No. 511

The purpose of this measure is to clarify the application of the federal Electronic Fund Transfer Act and article 4A of the Uniform Commercial Code to certain wire transfers.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, the Commission to Promote Uniform Legislation, and Hawaii Financial Services Association.

Your Committee finds that recent amendments to the federal Electronic Fund Transfer Act have created uncertainty about the application of Article 4A of the Uniform Commercial Code to certain types of international wire transfers known as remittance transfers. This measure will clarify the application of Article 4A of the Uniform Commercial Code and the Electronic Fund Transfer Act to remittance transfers and close a potential gap in the application of federal and state law.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 511 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Carroll, Har and McDermott.

SCRep. 1126 Consumer Protection & Commerce on S.B. No. 1258

The purpose of this measure is to increase transparency in the real estate appraisal process for arbitration awards that determine the market value or market rent of real property.

Specifically, this measure requires real estate appraisers who are acting as arbitrators to record all arbitration awards with the Bureau of Conveyances, along with any separately issued records of the award and any related supplementary, dissenting, or explanatory opinions, within ninety days of the determination of the award and notification to the parties of the determination.

Citizens for Fair Valuation; Grace Pacific Corporation; Mutual Plumbing Supply Co., Inc.; JN Group, Inc.; United Truck Rental; and several concerned individuals testified in support of this measure. The Land Use Research Foundation of Hawaii testified in opposition to this measure.

Your Committee finds that section 466K-6, Hawaii Revised Statutes, requires the record of an award in an arbitration proceeding to determine the market value or market rent of real property to include the real estate appraiser's basis for the award and certification of compliance with national standards for appraisals. However, there are concerns that these requirements are being negated by confidentiality agreements that real estate appraisers may impose upon the parties in arbitration proceedings. This measure seeks to ensure public access to the data and analysis supporting arbitration awards by requiring this information to be recorded at the Bureau of Conveyances, to assist lessees and others in making informed decisions regarding the value of real property and rental rates for that property.

Your Committee further notes the concerns that this measure, by requiring the details and processes for real estate appraisal arbitration awards to be made public, would preclude confidentiality terms that may be genuinely agreed to by the parties to arbitration, without imposition by the real estate appraiser. Your Committee finds that this concern, along with other issues, merits further consideration.

Accordingly, your Committee has amended this measure by changing the effective date to January 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1258, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1258, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Har, Lee, Tsuji and McDermott.

SCRep. 1127 Consumer Protection & Commerce on S.B. No. 102

The purpose of this measure is to require financial institutions to report suspected financial abuse that is directed towards, targets, or is committed against an elder to the appropriate county police department.

This measure also:

- (1) Authorizes the reporting of suspected financial abuse by facsimile or electronic device;
- (2) Requires the appropriate county police department to proceed with a criminal investigation upon receiving notification from a financial institution of suspected financial abuse; and
- (3) Amends the definition of "financial abuse" to clarify the types of actions that are included in the term.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Bankers Association, Hawaii Credit Union League, Policy Advisory Board for Elder Affairs, and one concerned individual.

Your Committee finds that greater safeguards are needed to protect the State's elderly population from the growing problem of elder financial abuse. Your Committee believes that this measure will establish a more efficient and effective mechanism to report and curtail instances of suspected financial abuse against elders.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 102, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1128 Consumer Protection & Commerce on S.B. No. 1025

The purpose of this measure is to expand the services and reach of the Hula Mae Single Family Mortgage Loan Program.

More specifically, the measure:

- (1) Allows more households to qualify for the loan program by repealing superfluous statutory eligibility criteria; and
- (2) Authorizes the loan program to offer downpayment assistance.

In addition, this measure makes housekeeping amendments to the Hawaii Housing Finance and Development Corporation's Housing Loan and Mortgage Program, including the repeal of obsolete statutory provisions relating to the inactive Loans to Lenders and Purchase of Existing Loans programs.

The Department of Business, Economic Development, and Tourism, Hawaii Housing Finance and Development Corporation, and Hawaii Association of Realtors testified in support of this measure.

Your Committee finds that homeownership remains an elusive goal for many residents in Hawaii's expensive housing market. This measure will increase access to homeownership by broadening the applicability and services of the Hula Mae Single Family Mortgage Loan Program, which provides eligible low- and moderate-income first-time homebuyers with mortgage loans at below-market interest rates.

Your Committee has amended this measure by changing the effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your

Committee is in accord with the intent and purpose of S.B. No. 1025, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1025, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1129 Consumer Protection & Commerce on S.B. No. 1106

The purpose of this measure is to exempt certain child care programs from licensing by the Department of Human Services.

More specifically, this measure:

- (1) Clarifies that child care programs licensed or certified by the United States Department of Defense that are located on federal property are exempt from licensing by the Department of Human Services; and
- (2) Exempts child care programs licensed by the Hawaii Council of Private Schools from licensing by the Department of Human Services, upon the provision of evidence that certain standards and monitoring requirements are met.

Your Committee received testimony in support of this measure from the Department of Human Services, the Executive Office on Early Learning, and the Hawaii Association of Independent Schools.

Testimony in opposition of this measure was submitted by the Hawaii Association for the Education of Young Children.

Your Committee finds that child care programs licensed or certified by the United States Department of Defense, whose standards exceed the standards of the Department of Human Services, make the requirement for additional licensing by the Department of Human Services for these programs unnecessary. This measure also permits exemption of child care programs licensed by the Hawaii Council of Private Schools from the licensing requirement by the Department of Human Services if the licensing standards of the Hawaii Council of Private Schools meet or exceed the licensing standards of the Department of Human Services for a comparable program. Accordingly, your Committee finds that this measure ensures that all child care programs in the State attain a certain standard and enables the Department of Human Services to more effectively utilize their resources.

Your Committee has amended this measure by changing the effective date to July 2, 2014.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1106, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as S.B. No. 1106, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Har.

SCRep. 1130 Consumer Protection & Commerce on S.B. No. 499

The purpose of this measure is to adopt the Uniform Partition of Heirs Property Act, which establishes procedures and remedies for use in actions for partition of real property held in tenancy in common by specified parties and for which no binding agreement for partition exists.

The Commission to Promote Uniform Legislation testified in support of the intent of this measure. The Judiciary provided comments on this measure.

Your Committee notes that defending family members in partition actions often cannot afford and do not have counsel and may not understand what rights they have under the partition action. Therefore, your Committee has amended this measure by:

- (1) Specifying that the court shall determine whether the property is heirs property subject to this measure in any action for partition of real property;
- (2) Specifying that the court shall provide notice to all parties of the value of the real property and the cotenants' right to buy the interests of cotenants who are willing to sell; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 499, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 499, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Ito and Tsuji.

SCRep. 1131 Energy & Environmental Protection/Economic Development & Business on S.B. No. 23

The purpose of this measure is to continue to support the development of efficient energy systems in Hawaii by authorizing the issuance of special purpose revenue bonds of up to \$200,000,000, for Kaiuli Energy, LLC to plan, design, and construct a seawater air conditioning district cooling system in and around Waikiki, on the island of Oahu.

The High Technology Development Corporation, Kaiuli Energy, Life of the Land Hawaii, Ulupono Initiative, and Blue Planet Foundation testified in support of this measure. The Department of Budget and Finance provided comments.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 23, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cullen, Hanohano and Kawakami.

SCRep. 1132 Energy & Environmental Protection on S.B. No. 1040

The purpose of this measure is to facilitate the use of renewable energy in Hawaii by requiring the Public Utilities Commission to consider the value of improving electrical generation transmission and distribution systems and infrastructure through the use of advanced grid modernization technology in Hawaii's electrical system.

The Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Public Utilities Commission; Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company; Hawaii Solar Energy Association; Sierra Club, Hawaii Chapter; and Blue Planet Foundation provided testimony in support of this measure. A few individuals provided testimony in opposition to this measure. Life of the Land provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1040 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1133 Energy & Environmental Protection on S.B. No. 101

The purpose of this measure is to eliminate the requirement that agencies performing energy efficiency retrofitting receive an increase to their pre-retrofitting energy budget proportionate to any increase in their overall budget for the duration of the performance contract or project payment term.

The Department of Business, Economic Development, and Tourism, Department of Budget and Finance, Department of Accounting and General Services, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 101 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1134 Labor & Public Employment on S.B. No. 332

The purpose of this measure is to protect employees by expanding the wage information required to be provided on employee pay statements and included in employer records.

The Department of Labor and Industrial Relations and United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2113, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 332, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 332, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1135 Labor & Public Employment/Energy & Environmental Protection on S.B. No. 512

The purpose of this measure is to provide a limited exemption to the licensing requirements for certain individuals in situations where an electric utility must retain qualified individuals to work with high voltage who are not licensed in the State, but otherwise deemed qualified by the electric utility.

The Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company supported this measure. The International Brotherhood of Electrical Workers supported the intent of this measure. The Contractors License Board and Board of Electricians and Plumbers opposed this measure.

Your Committees have amended this measure by:

- (1) Specifying that the limited exemption applies to employees of a licensed contractor and that the contractor be retained by a public utility that is regulated by the Public Utilities Commission;

- (2) Providing that the individuals exempted shall not be less qualified than the public utility's own employees who perform such high voltage electrical work;
- (3) Providing that the employees qualifying of the limited exemption who are employed by a licensed contractor that is retained by the public utility shall not be counted in calculating the percentage of licensed employees at a job site; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Energy & Environmental Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 512, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 512, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Lowen, Fale and Johanson.

SCRep. 1136 Labor & Public Employment on S.B. No. 867

The purpose of this measure is to amend the law relating to state and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund for retired employees by, among other things:

- (1) Deleting language providing caps on base monthly contribution amounts for supplemental Medicare and non-Medicare self and family plans, effective July 1, 2003, and adjusted on July 1, 2004; and
- (2) Setting forth caps on the required state and county base monthly contributions for supplemental Medicare and non-Medicare self, two-party, and family plans as unspecified amounts beginning January 1, 2014.

United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposed this measure. The Department of Budget and Finance submitted comments on this measure.

Your Committee has amended this measure by deleting its contents and inserting in its place the contents of H.B. No. 1174, H.D. 1, which are similar to this measure and currently under consideration by the Senate.

As amended, this measure repeals statutorily-established caps on base monthly contributions to the Hawaii Employer-Union Health Benefits Trust Fund paid by the State and counties for retiree health benefit plans.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 867, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 867, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1137 Labor & Public Employment on S.B. No. 1036

The purpose of this measure is to improve the administration of the Employees' Retirement System (ERS).

More specifically, this measure authorizes the ERS Administrator to appoint one or more investment officers to the ERS investment office. The measure also changes the title of the Administrator of the ERS to "Executive Director" to be consistent with the titles of other state agencies' administrative heads.

The Department of Budget and Finance and the Employees' Retirement System Board of Directors submitted testimony in support of the measure.

Your Committee finds that the ERS investment portfolio is becoming increasingly sophisticated and requires the management and expertise of additional professionals. Your Committee further finds that the current staffing structure of the ERS investment office is not consistent with the best practices of other similarly-sized public pension plans. A larger staff of investment officers would ensure that the investment portfolio is well-researched, monitored, and evaluated, resulting in a much needed reduction of the ERS's unfunded liability.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1036 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Johanson.

SCRep. 1138 Judiciary on S.B. No. 406

The purpose of this measure is to require members of certain state councils, boards, and commissions to complete a training course administered or approved by the Office of Hawaiian Affairs relating to native Hawaiian and Hawaiian rights.

The Office of Hawaiian Affairs, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and an individual testified in support of this measure. The Center for Hawaiian Sovereignty Studies testified in opposition to this measure. The Department of Land and Natural Resources and Land Use Research Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Requiring that council, board, and commission members mandated to complete the native Hawaiian and Hawaiian rights training course ("training course") shall do so within six months, rather than within one year, of the date of the member's initial appointment;
- (2) Requiring the Office of Hawaiian Affairs at its own expense to offer to administer the native Hawaiian and Hawaiian rights training course at least twice per year;
- (3) Requiring the governor to provide the Office of Hawaiian Affairs a list of names of the council, board, and commission members required to take the training course within 30 days of their initial appointment;
- (4) Deleting the authority of the Office of Hawaiian Affairs to offer abbreviated training courses under certain circumstances;
- (5) Changing its effective date to upon approval; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 406, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 406, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Belatti.

SCRep. 1139 Judiciary on S.B. No. 532

The purpose of this measure is to promote the health of mothers and children by:

- (1) Requiring certain employers to provide a reasonable break time and an appropriate location for breastfeeding employees to express breast milk;
- (2) Requiring covered employers to post conspicuous notice of these requirements; and
- (3) Establishing civil penalties for a violation of this law.

The Department of Labor and Industrial Relations; Department of Health; Hawaii State Commission on the Status of Women; Office of Hawaiian Affairs; United Public Workers, AFSCME, Local 646, AFL-CIO; Breastfeeding Hawaii; Hawaii State Democratic Women's Caucus; Hawaii Women's Coalition; American Civil Liberties Union of Hawaii; League of Women Voters Hawaii; Planned Parenthood of Hawaii; and a concerned individual supported this measure. The Chamber of Commerce of Hawaii, Hawaii Civil Rights Commission, and Hawaii Transportation Association submitted comments.

Your Committee finds that employees who breastfeed need to be allowed break time and a private place to express milk at work. This measure will require certain employers with one or more employees to make such allowances. Accomplishing the measure's goals will encourage and support breastfeeding employees resulting in significant benefits to the child, the employee, and the employer.

Your Committee notes that the hardship exemption for smaller employers is not an automatic exemption. Rather, it can be validly claimed only where the employer can show that the measure's requirements would create an "undue hardship". Your Committee finds that a strong consideration should be given to amending the hardship exemption so that it applies solely to the requirement of providing a private space to the breastfeeding employee and not to the requirement of allowing reasonable break time. Additionally, current protections in section 378-10, Hawaii Revised Statutes, that prohibit employers from preventing employees from expressing breast milk during meal breaks or other required breaks should be maintained in order to avoid leaving employees who work for smaller employers that validly claim the exemption without some protection.

Finally, your Committee finds that consideration should be given to including a requirement that the Department of Labor and Industrial Relations enforce the required notice informing employees of their rights and protections under this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 532, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Belatti.

SCRep. 1140 Judiciary on S.B. No. 815

The purpose of this measure is to assist infants and toddlers in overcoming the negative consequences stemming from maltreatment by appropriating funds for the Judiciary's Zero To Three Court for infants and toddlers in child welfare cases.

The Judiciary, the Hawaii Family Support Institute, and one concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Appropriating \$130,000 for fiscal year 2013-2014 and \$130,000 for fiscal year 2014-2015 to fund the Judiciary's Zero To Three Court Program;

- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 815, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1141 Judiciary on S.B. No. 982

The purpose of this measure is to amend the constitutional requirement for the approval of a legislatively proposed constitutional amendment by majority vote at a general election by specifying that:

- (1) An amendment shall be effective only if approved by a majority of all the votes tallied upon the question;
- (2) The number of votes tallied upon the question in comparison with the number of votes cast at the general election is a percentage that is at least equal to the percentage of votes tallied upon legislatively proposed constitutional amendments in comparison to the votes cast at the general election in which amendments were voted on in the immediately preceding ten years; and
- (3) Only "yes" and "no" votes will be counted on the question, and blank and spoiled ballots will not be considered.

The Office of the Public Defender, American Civil Liberties Union of Hawai'i, League of Women Voters of Hawaii, Progressive Democrats of Hawai'i, and one concerned individual submitted testimony in opposition to the measure. The Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu provided comments.

Your Committee circulated a Proposed S.B. No. 982, H.D. 1 (proposed draft) at the hearing that:

- (1) Removes language requiring that the percentage of the votes tallied upon the constitutional amendment in relation to the number of total votes cast at the general election be at least equal to the percentage of votes tallied upon proposed constitutional amendments in relation to the total votes cast in the last ten years;
- (2) Specifies that the votes tallied on the question of the amendment shall include only yes or no votes;
- (3) Amends the proposed ballot question to accurately reflect the proposed constitutional amendment; and
- (4) Makes technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee considered the merits of the measure as received by your Committee, and the proposed draft, and adopted the proposed draft.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 982, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 982, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Ito, Wooley and McDermott.

SCRep. 1142 Judiciary on S.B. No. 1169

The purpose of this measure is to specify offenses for which property is subject to forfeiture relating to the Kaho'olawe Island Reserve and to clarify that property seized within the Kaho'olawe Island Reserve may be forfeited and disposed of as provided by law.

The Department of Land and Natural Resources, the Office of Hawaiian Affairs, the Kaho'olawe Island Reserve Commission, and the Ocean Tourism Coalition submitted testimony in support of this measure. One concerned individual submitted testimony in opposition. The Department of the Attorney General provided comments.

Your Committee circulated a Proposed S.B. No. 1169, H.D. 1 (Proposed Draft) at the hearing, which among other things:

- (1) Identifies and enumerates the specific offenses subject to forfeiture;
- (2) Clarifies that forfeiture of property applies only to offenses committed on the island of Kaho'olawe or by persons or on vessels located in the waters extending seaward one nautical mile from its shoreline;
- (3) Amends the measure to be effective upon approval; and
- (4) Makes technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee after careful consideration has amended the bill as received by adopting the provisions of the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1169, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form

attached hereto as S.B. No. 1169, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1143 Higher Education on S.B. No. 665

The purpose of this measure is to address the shortage of primary care physicians in Hawaii by appropriating unspecified amounts of general revenues for deposit into the Hawaii Health Corps Revolving Fund, to support diversity programs at the John A. Burns School of Medicine's Native Hawaiian Center of Excellence, and for increases in the faculty and infrastructure of the existing family medicine residency program and development of new accredited family health centers in association with teaching hospitals.

The Hawaii Medical Association, Hawaii Medical Service Association, Hawai'i Primary Care Association, Healthcare Association of Hawaii, and a concerned individual supported this bill. The John A. Burns School of Medicine supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$300,000 in general revenues for each year of fiscal biennium 2013-2015 to be deposited into the Hawaii Health Corps Revolving Fund;
- (2) Inserting an appropriation amount of \$300,000 out of the Hawaii Health Corps Revolving Fund for each year of fiscal biennium 2013-2015 for the purposes of the Hawaii Health Corps Program;
- (3) Inserting an appropriation amount of \$560,000 in general revenues for each year of fiscal biennium 2013-2015 to support diversity programs at the John A. Burns School of Medicine's Native Hawaiian Center of Excellence;
- (4) Inserting an appropriation amount of \$1,000,000 in general revenues for each year of fiscal biennium 2013-2015 for increases in the faculty and infrastructure of the existing family medicine residency program and the development of new accredited family health centers in association with teaching hospitals;
- (5) Changing its effective date to July 1, 2013; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 665, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 665, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Aquino and Hanohano.

SCRep. 1144 Agriculture/Water & Land on S.B. No. 586

The purpose of this measure is to provide, under certain circumstances, an exemption from building permit and code requirements for nonresidential agricultural and aquacultural buildings or structures on commercial farms and ranches located outside of urban districts.

The Hawaii Aquaculture and Aquaponics Association; Primavera Aquaponics, LLC; East Oahu County Farm Bureau; BioFarms Hawaii, LLC; Land Use Research Foundation of Hawaii; Hawaii Cattlemen's Council; Ulupono Initiative; and two concerned individuals testified in support of this measure. The State Fire Council; Kauai Fire Department; Department of Planning and Permitting, City and County of Honolulu; Department of Public Works, County of Kauai; Historic Hawaii Foundation; a member of the Kaua'i County Council; and one concerned individual testified in opposition to this measure. The Department of Agriculture, Hawaii Farm Bureau Federation, and one concerned individual offered comments.

Your Committees note the concerns regarding situations where bones or other items of archeological or cultural significance are found during the construction process. Exempting agricultural structures from both the building code and permitting process removes important mechanisms that help to ensure these sites are properly managed or observed.

Your Committees have amended this measure by:

- (1) Including nonresidential indigenous Hawaiian hale as an additional agricultural building or structure that may be exempt from the building permit or code requirements;
- (2) Extending the period of time that a county has to establish an exemption list before the default list included within the statute applies;
- (3) Clarifying that a county may amend or adopt an agricultural building and structures exemption list at any time even if it does not adopt a list before the default list becomes effective on July 1, 2014;
- (4) Allowing the counties to individually determine which building code compliant buildings or structures over 1,000 square feet may be exempt from permit requirements;
- (5) Limiting the State and the counties' liability for claims that arise from agricultural buildings, structures, and appurtenances that are exempt from the building code and permitting process, unless the claim is based on gross negligence or intentional misconduct by the State or county; and

- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 586, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 586, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Choy, Cullen, Lee, Tokioka and Cheape.

SCRep. 1145 Transportation on S.B. No. 1214

The purpose of this measure as received by your Committee is to abolish the Commission on Transportation.

Prior to the public hearing on this measure, your Committee circulated a proposed draft of this measure and notified the public that it would be accepting testimony on the proposed draft. The purpose of this proposed draft is to regulate wheel booting by, among other things, authorizing counties to enact ordinances permitting the county police department or any other designated county agent to apply a wheel boot to any motor vehicle for any parking violation.

Your Committee scheduled a hearing and received testimony on the proposed draft.

The Hawaii State Towing Association and a concerned individual supported this measure.

Your Committee has amended the bill as received by adopting the proposed measure. The amendments adopted by your Committee include:

- (1) Authorizing ordinances permitting county use of wheel boots for parking violations;
- (2) Establishing that unless authorized by a county, no person, other than the registered owner of a motor vehicle, may apply a wheel boot to a motor vehicle; and
- (3) Defining "wheel boot" to include a tire lock, denver boot, wheel clamp, or wheel immobilizer.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1214, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1214, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takumi and Fukumoto.

SCRep. 1146 Transportation on S.B. No. 1207

The purpose of this measure is to facilitate the efficient implementation of Department of Transportation harbors projects by exempting all work involving submerged lands used for state commercial harbor purposes from the permit and site plan approval requirements established for lands in a conservation district.

The Department of Transportation supported this measure. The Office of Hawaiian Affairs and several concerned individuals opposed this measure. The Chamber of Commerce of Hawaii and Building Industry Association of Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1207, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1207, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Takumi and Fukumoto.

SCRep. 1147 Transportation/Labor & Public Employment on S.B. No. 1230

The purpose of this measure is to expand the exceptions on the use of a government motor vehicle for personal use to include an officer or employee of any county board of water supply, rather than only the Board of Water Supply of the City and County of Honolulu.

The Kauai Board of Water Supply supported this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1230, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1230, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Yamashita and Johanson.

SCRep. 1148 Transportation on S.B. No. 1209

The purpose of this measure is to authorize the Director of Transportation, upon written application, to issue a written permit, authorizing an applicant to vend in the airspace above a state highway.

The Department of Transportation supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1209, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 1149 Transportation on S.B. No. 571

The purpose of this measure is to facilitate a more proper use of taxpayer money by amending the amount of gross proceeds the State retains to cover the costs associated with administering the county surcharge on state tax. More specifically, this measure:

- (1) Changes the State's automatic deduction of ten percent of the gross proceeds of a county's surcharge on state tax to an unspecified percentage; and
- (2) Allows the State, by administrative rule, to change the deduction to an amount not exceeding ten percent if the costs of assessment, collection, and disposition increase.

The City and County of Honolulu, Honolulu Authority for Rapid Transportation, the Councilmember of Council District 9 of the City and County of Honolulu, and two concerned individuals supported this measure. The Department of Taxation provided comments.

Your Committee has amended this measure by:

- (1) Changing the State's deduction of an unspecified percentage of the gross proceeds of a county's surcharge on state tax to an unspecified amount; and
- (2) Removing the language that allowed the State, by administrative rule, to change the deduction amount on the gross proceeds of a county's surcharge on state tax.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 571, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 571, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamashita.

SCRep. 1150 Transportation on S.B. No. 4

The purpose of this measure is to increase the safety of motor vehicle occupants by requiring all front- and back-seat passengers to be restrained by a seat belt assembly or child passenger restraint while the motor vehicle is being operated upon any public highway.

The Department of Transportation, Department of Health, Honolulu Police Department, Mothers Against Drunk Driving Hawaii, State Highway Safety Council, Safe Kids Worldwide, Injury Prevention Advisory Committee, AAA Hawai'i, Healthcare Association of Hawaii, Hawaii Bicycling League, and several concerned individuals supported this measure. State Farm Mutual Automobile Insurance Company supported the intent of this bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 4, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamashita.

SCRep. 1151 Education on S.B. No. 244

The purpose of this measure is to further refine Hawaii's nascent charter school law by, among other things:

- (1) Allowing charter schools to carry over an unspecified percentage of any appropriation, with certain exceptions;
- (2) Requiring charter schools to complete an annual independent financial audit;
- (3) Requiring the State Public Charter School Commission (Commission) to develop procedures to obtain any potential criminal history of individuals who are employed or seeking employment in positions that place them in close proximity to children;
- (4) Specifying additional enrollment criteria for students at public charter schools, including criteria for enrollment preferences;

- (5) Authorizing the Commission to request facilities funding for charter schools as part of its annual budget request;
- (6) Requiring Commission members to disclose specified conflicts of interest and to be disqualified from voting on or participating in discussions regarding charter schools with which they have a conflict of interest; and
- (7) Making various housekeeping amendments to the charter school law.

The Board of Education, State Public Charter School Commission, National Association of Charter School Authorizers, Hawaii Technology Academy, and three concerned individuals supported this measure. The Hawaii State Ethics Commission, Kamehameha Schools, Hawaii Public Charter Schools Network, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting provisions permitting charter schools to carry over an unspecified percentage of any appropriation, with specified exceptions;
- (2) Deleting provisions referring to the use of criminal history record checks of persons employed continuously by a charter school prior to July 1, 1990, as no charter school was in existence prior to 1990;
- (3) Amending the definition of "employee" under Hawaii's Standards of Conduct Law, codified as Chapter 84, Hawaii Revised Statutes, to include any person under an employment contract to serve as chief executive officer, chief administrative officer, executive director, or designated head of a charter school;
- (4) Removing the section amending the compulsory attendance provision to include reference to public charter schools, as public charter schools are included in the definition of public schools;
- (5) Specifying that per-pupil funding distributed to public charter schools is considered expended; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 244, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 244, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1152 Water & Land on S.B. No. 1361

The purpose of this measure is to require the Department of Land and Natural Resources to negotiate with the County of Hawaii for the lease of certain properties located near or adjacent to Banyan Drive to the County.

The Mayor of the County of Hawai'i; Hawai'i Island Chamber of Commerce; Big Island Toyota, Inc.; and one individual submitted testimony in support of this measure. The Department of Land and Natural Resources submitted testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Deleting provisions relating to the lease of public lands to the County of Hawaii and replacing them with new language that:
 - (A) Establishes the Banyan Drive Community Development Board to advise the Department of Land and Natural Resources on the restoration and management of the Banyan Drive area until its dissolution on July 1, 2020;
 - (B) Authorizes the Board to undertake specified planning, development, and policy-making activities; and
 - (C) Directs the Board to report annually to the Legislature;
- (2) Making an unspecified appropriation to be expended by the Department of Land and Natural Resources;
- (3) Changing its effective date to upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that in its discussion of this measure, it arose that the option of buying out existing leases for properties on Banyan Drive for management purposes is available to the Department of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1361, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1361, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1153 Water & Land/Transportation on S.B. No. 1357

The purpose of this measure is to enable the safe and efficient operation of roads in the State by enabling state and county agencies to maintain roads with disputed ownership without incurring liability or assuming ownership of or jurisdiction over those roads.

Your Committees received testimony in support of this measure from the Department of Transportation and Department of the Attorney General. Hawaii Association for Justice submitted testimony in opposition to this measure. The Department of Land and Natural Resources submitted comments.

Your Committees have amended this measure by:

- (1) Deleting language related to the liability of a state or county agency for repairs to a disputed road;
- (2) Adding new language to state that actions by a government agency to maintain roads in dispute shall not create ownership or the evidence of ownership of the road;
- (3) Clarifying that the State may divest itself of interest in a road in dispute through quitclaim conveyance to a county; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water & Land and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1357, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1357, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Aquino and Lee.

SCRep. 1154 Water & Land/Transportation on S.B. No. 803

The purpose of this measure is to establish a two-year pilot program under which the Department of Accounting and General Services, Department of Transportation, and Department of Land and Natural Resources shall implement irrigation water conservation best practices and report to the Legislature on findings and recommendations.

Your Committees received testimony in support of this measure from the Department of Transportation; Department of Land and Natural Resources; Landscape Industry Council of Hawaii; Irrigation Hawaii, LTD.; and two individuals.

Your Committees have amended this measure by:

- (1) Limiting its scope to four projects undertaken by the Department of Accounting and General Services at or around the existing ten capital district buildings that are part of a pilot study on energy and water conservation;
- (2) Extending its time to four years in order to enable more meaningful data collection;
- (3) Specifying that the Department's report to the Legislature shall contain information on training, installation measures, and water savings under the pilot project; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water & Land and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 803, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 803, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1155 Water & Land on S.B. No. 987

The purpose of this measure is to authorize the counties to assess and collect impact fees for the allocation of water prior to or upon the issuance of a water meter.

The Board of Water Supply of the City and County of Honolulu, Department of Water of the County of Kauai, and a member of the Maui County Council submitted testimony in support of this measure. The Land Use Research Foundation of Hawaii submitted testimony in opposition to this measure.

Your Committee notes that this measure codifies what is currently standard practice by the counties. Your Committee further notes that the several county water authorities have confirmed that the language in this measure is both understandable and useful for the counties' practical purposes.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 987, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Lee.

SCRep. 1156 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 614

The purpose of this measure is to honor the late U.S. Senator Daniel K. Inouye and the late U.S. Representative Patsy T. Mink by appropriating funds for the Comptroller and the State Foundation on Culture and the Arts to commission permanent works of art to honor their legacies and their contributions to the people of Hawaii.

The United Public Workers, AFSCME, Local 646, ALF-CIO and a concerned individual testified in support of this measure. The State Foundation on Culture and the Arts testified in support of the intent of this bill.

Your Committee has amended this measure by:

- (1) Inserting an appropriation of \$250,000 for each year of fiscal biennium 2013-2015 to commission works of art honoring the legacy of Daniel K. Inouye and Patsy T. Mink; and
- (2) Changing its effective date from July 1, 2050, to upon approval.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 614, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 614, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1157 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 998

The purpose of this measure is to protect and preserve the historic residence known as Washington Place, a center of social and political life in the Hawaiian Islands for over a century. Specifically, this bill:

- (1) Statutorily establishes the Department of Accounting and General Services as the agency responsible for preserving and protecting Washington Place, including the grounds, and the historic residence situated on its premises;
- (2) Establishes the Washington Place Trust Fund to pay for the administration, operation, management, and maintenance of Washington Place;
- (3) Prohibits moneys in the Washington Place Trust Fund to be transferred to the general fund or any other fund in the State treasury; and
- (4) Provides that unencumbered and unexpended moneys remaining in the Washington Place Trust Fund in excess of an unspecified amount shall lapse to the general fund on June 30 of each year.

The Department of Accounting and General Services testified in support of this measure.

Your Committee has amended this bill by:

- (1) Deleting the provision that excess unencumbered or unexpended moneys from the Washington Place Trust Fund lapse to the general fund;
- (2) Changing its effective date from July 1, 2050, to upon approval; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 998, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 998, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1158 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 540

The purpose of this measure is to remove the uncertainty of burial provisions for veterans and their families. Specifically, this measure:

- (1) Makes permanent the requirements for the burial of members of the United States Armed Forces and their dependents in veterans cemeteries in Hawaii; and
- (2) Ensures that the criteria for the burial of members of the United States Armed Forces and their dependents in veterans cemeteries in Hawaii conform with the United States Department of Veterans Affairs' eligibility requirements for burial in a national or state cemetery.

The National Association for Uniformed Services-Hawaii Chapter (HI-1); Department of Hawaii, Veterans of Foreign Wars of the United States; Papa Ola Lokahi; and a concerned individual testified in support of this measure. The Office of Veterans Services testified in support of the intent of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 540 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1159 Legislative Management on S.B. No. 795

The purpose of this measure is to increase transparency by establishing an investigative unit within the Office of the Auditor to conduct investigations involving alleged or suspected government waste, fraud, abuse, nonfeasance, or malfeasance related to state finances.

The Office of the Auditor provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 795, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 795, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Saiki.

SCRep. 1160 Legislative Management on S.B. No. 848

The purpose of this measure is to enhance public trust and reduce real and perceived conflicts of interest by requiring legislators and state employees to disclose every source of annual income that totals more than the legislator's or employee's annual salary if that source is a registered lobbyist or lobbying organization.

The Hawaii State Ethics Commission provided testimony in support of the general intent of this measure. The League of Women Voters of Hawaii provided testimony in opposition to this measure. An individual provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2113, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 848, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 848, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Saiki.

SCRep. 1161 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 48

The purpose of this measure is to assist the Department of Education in focusing on its core mission of educating Hawaii's youth by removing:

- (1) The representative of the Department from the Aerospace Advisory Committee; and
- (2) The Department from the list of state agencies with which the Office of Planning is required to coordinate for the development of state agency work plans necessary to implement the Ocean Resources Management Plan.

The Department of Education provided testimony in support of this measure. The Office of Planning provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 48 and recommends that it be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representative Lee.

SCRep. 1162 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 1161

The purpose of this measure is to clarify:

- (1) That all costs and expenses associated with the impoundment and disposal of an unauthorized vessel by the Department of Land and Natural Resources shall be borne by the vessel owner; and
- (2) Circumstances when no vessel registration shall be renewed or transferred.

The Department of Land and Natural Resources provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Adding provisions permitting a court of competent jurisdiction to grant an income withholding order for fines imposed upon a vessel owner in violation of laws regarding abandoned vessels and establishing procedures for withholding income; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

Your Committee notes that the income withholding provisions of this measure may raise issues that are within the subject matter jurisdiction of your Committee on Judiciary. Your Committee further notes that it has sent this measure to the Department of the Attorney General for further review.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1161, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1161, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1163 Human Services on S.B. No. 1101

The purpose of this measure is to help reduce the need for future emergency appropriations for the Department of Human Service's General Assistance program by:

- (1) Establishing the Interim Assistance Reimbursement Special Fund to accept as deposits, among other things, reimbursements from the federal government for state-funded financial assistance paid to qualified recipients while their application for supplemental security income is pending a determination; and
- (2) Requiring monies from the Special Fund to be used for state-funded financial assistance payments and programs that support and assist recipients to qualify for supplemental security income.

The Department of Human Services; Legal Aid Society of Hawaii; Community Alliance for Mental Health; United Self Help; Goodwill Industries of Hawaii, Inc.; and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1101, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 1164 Human Services on S.B. No. 400

The purpose of this measure is to better protect infant children from sudden unexpected infant death and sudden infant death syndrome by:

- (1) Requiring the Department of Human Services to adopt rules and conduct training regarding the implementation of a safe sleep policy in all licensed or registered child care facilities and infant and toddler child care centers that provide care for infant children under a year old; and
- (2) Requiring care facilities to create a written safe sleep policy in accordance with Department rules, comply with training requirements, and report the death of children one year of age or younger to the Department.

Child and Family Services, March of Dimes Foundation Hawaii Chapter, Healthy Mothers Health Babies Coalition of Hawaii, and many individuals submitted testimony in support of this measure. The Department of Human Services opposed this bill. Department of Health and many individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting language specifying required aspects of a safe sleep policy, requiring the Department of Human Services to conduct training on safe sleep policies, and establishing training and reporting requirements for child care providers in order to allow the Department of Human Services to adopt rules governing these issues in accordance with Chapter 91, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 400, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 400, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1165 Labor & Public Employment on S.B. No. 946

The purpose of this measure is to manage the unfunded liabilities of the Hawaii Employer-Union Health Benefits Trust Fund by, among other things:

- (1) Requiring the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to establish a separate trust fund for public employer contributions, with separate accounts for each employer;
- (2) Establishing an annual required contribution that public employers must pay into the separate trust fund;
- (3) Requiring the use of a portion of the general excise tax revenues to supplement deficient state public employer contribution amounts;
- (4) Requiring the use of a portion of the transient accommodations tax revenues to supplement deficient county public employer contributions;

- (5) Authorizing the Director of Finance to supplement deficient public employer contributions from other revenues or funds collected on behalf of the public employer or held by the State; and
- (6) Requiring the Director of Finance to submit an implementation plan to have both the Hawaii Employer-Union Health Benefits Trust Fund and the Employees' Retirement System jointly share investment information and services.

The Department of Budget and Finance and Building Industry Association of Hawaii supported this measure. The Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees and the Employees' Retirement System Board of Trustees supported the intent of this measure. The Department of Budget and Fiscal Services of the City and County of Honolulu and the Finance Department of the County of Hawaii opposed this measure. Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by deleting its contents and inserting in its place the contents of H.B. No. 546, H.D. 2, and H.B. No. 1459, H.D. 2, which are currently under consideration by the Senate. The contents of these two measures also address the problem of the unfunded liabilities of the Hawaii Employer-Union Health Benefits Trust Fund by, among other things:

- (1) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Task Force to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund and requiring the Task Force to report its findings, recommendations, and implementing draft legislation to the 2014 Legislature; and
- (2) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to more effectively manage the administration and financing of the current and potential future employee health benefit obligations of the State and county governments.

In addition, your Committee has further amended this measure by:

- (1) Removing the State's chief negotiator from the Task Force and adding a member to be appointed by the Governor;
- (2) Inserting a severability clause;
- (3) Changing its effective date to July 1, 2113, to promote further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 946, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 946, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1166 Labor & Public Employment/Economic Development & Business on S.B. No. 535

The purpose of this measure is to:

- (1) Extend basic labor rights and protections to domestic workers by:
 - (A) Establishing hours of labor for domestic workers and defining "causal basis" employment and "domestic worker" under the Hawaii Employment Relations Act;
 - (B) Amending the definition of "employment" under Chapter 378, Hawaii Revised Statutes (HRS), to prohibit discriminating against domestic workers;
 - (C) Including service of domestic workers under the workers' compensation law's definition of "employment"; and
 - (D) Excluding individuals employed in domestic service in or about the home of the individual's employer on a casual basis from the Wage and Hour Law under Chapter 387, HRS; and
- (2) Direct the Department of Labor and Industrial Relations to submit a written report to the Legislature regarding the feasibility of allowing domestic workers to organize for the purposes of collective bargaining.

The Hawaii State Commission on the Status of Women, American Civil Liberties Union of Hawai'i, National Domestic Workers Alliance, Hawai'i Women's Coalition, First Lady of the State of Hawaii, and several concerned individuals supported this measure. The Department of Labor and Industrial Relations and Hawaii Labor Relations Board supported the intent of this bill. Hawai'i Civil Rights Commission supported this measure with amendments. A concerned individual opposed this measure.

Your Committees have amended this measure by:

- (1) Removing the definitions for "causal basis" employment and "domestic worker" and the provisions relating to hours of labor for domestic workers from the Hawaii Employment Relations Act;
- (2) Removing the service of domestic workers from the workers' compensation law's definition of "employment";
- (3) Prohibiting discriminatory practices against any "domestic," rather than any "domestic worker";

- (4) Adding definitions for "casual basis," "companionship services for the aged or infirm," and "domestic service" under the Wage and Hour Law;
- (5) Specifying that an individual providing companionship services for the aged or infirm is also excluded from the Wage and Hour Law;
- (6) Removing the requirement directing the Department of Labor and Industrial Relations to submit a written report to the Legislature regarding the feasibility of allowing domestic workers to organize for the purposes of collective bargaining;
- (7) Changing its effective date to July 1, 2113, to promote further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 535, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 535, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Ichiyama and Johanson.

SCRep. 1167 Consumer Protection & Commerce on S.B. No. 1070

The purpose of this measure is to create greater consumer protections, update fees, and clarify provisions in the mortgage service industry by:

- (1) Authorizing the Commissioner of Financial Institutions (Commissioner) to investigate mortgage servicer violations and examine the books, accounts, records, files, and other information of mortgage servicer licensees or those performing the function of mortgage servicers under Hawaii laws governing mortgage servicers;
- (2) Adjusting fees charged for mortgage servicer applications and renewals; and
- (3) Amending references to the "Nationwide Mortgage Licensing System" to read "NMLS" and creating a new definition for "NMLS" for the purposes of clarity and style.

The Department of Commerce and Consumer Affairs testified in support of this measure.

Your Committee notes that many mortgage servicer licensees operating in the State have agreed to the fees set forth in this measure. Your Committee further notes that the increased fees are directed at out-of-state mortgage servicers, operating mostly online, who may be less subject to the rules and regulations of the State's mortgage servicer industry.

Your Committee has amended this measure by:

- (1) Clarifying that the commissioner may access, receive, and use any relevant evidence, rather than any evidence deemed relevant by the commissioner, in the commissioner's investigation or examination of a mortgage servicer;
- (2) Changing the deadline for renewal application fees, from at least four weeks prior to July 1 to on or before July 1, for licensure as a mortgage servicer for the following year;
- (3) Requiring that the renewal for licensure as a mortgage servicer be subject to the approval of the Nationwide Mortgage Licensing System or the commissioner;
- (4) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1070, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1070, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Har.

SCRep. 1168 Consumer Protection & Commerce on S.B. No. 595

The purpose of this measure is to assist Hawaii's agricultural industry by including beef and beef carcasses; goat meat and goat carcasses; lamb meat and lamb carcasses; sheep meat and sheep carcasses; milk; poultry; eggs; poultry meat and poultry carcasses; and aquaculture and aquaponics products to be consumed within the State, whether imported or processed within the State, to the agricultural commodities that are exempt from the State's general excise tax on amounts received for loading, transportation, and unloading these commodities for interstate transport.

Hawaii Food Industry Association; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; 4 Ag Hawaii; and a few concerned individuals supported this measure. The Department of Agriculture, Department of Taxation, and Hawaii Aquaculture and Aquaponics Association supported the intent of this measure. The Tax Foundation of Hawaii offered comments.

Your Committee has amended this measure by adding swine meat and swine carcasses as agricultural commodities included in the exemption from the general excise tax on amounts received for loading, transportation, and unloading these commodities for interstate transport.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 595, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 595, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1169 Consumer Protection & Commerce/Judiciary on S.B. No. 1370

The purpose of this measure is to assist homeowners at risk of foreclosure by expanding the applicability of mandatory mortgage foreclosure dispute resolution.

Specifically, this measure:

- (1) Requires mortgagees to engage in early intervention measures to attempt to mitigate loss to the homeowner, including through written notice no later than 45 days after the mortgage becomes delinquent;
- (2) Extends the existing Mortgage Foreclosure Dispute Resolution to require mortgagees, at the mortgagor's election, to participate in mediation to avoid foreclosure or to mitigate damages from foreclosure prior to filing a judicial foreclosure action for property that has been the mortgagor's primary residence for a specified period and institutes necessary notice requirements;
- (3) Creates new accountability requirements for attorneys in foreclosure actions, through requiring the submission by plaintiffs' counsel of written affirmations attesting to the attorney's personal knowledge and verification of the accuracy of documents submitted to the court and of the validity of the claim for foreclosure;
- (4) Applies the dispute resolution requirement to judicial foreclosure actions filed prior to the effective date of this measure and pending an initial court hearing as of that date; and
- (5) Exempts mortgagees engaged in loss mitigation procedures with the mortgagor in compliance with statutory requirements from mediation requirements.

The Hawaii Financial Services Association, Mortgage Bankers Association of Hawaii, Hawaii Bankers Association, and Hawaii Credit Union League testified in opposition to this measure. The Office of Consumer Protection provided comments on this measure.

The Office of Consumer Protection testified that it prefers H.B. No. 1417, H.D.1, which is the companion bill to this measure, because the current measure does not adequately fulfill the Legislature's original intent of providing dispute resolution coupled with the assistance of a HUD-certified housing counselor to homeowners facing foreclosure. Therefore, your Committees have amended this measure by:

- (1) Deleting the language that requires mortgagees to attempt to engage in early intervention measures prior to filing a judicial foreclosure action and exempts mortgagees who do engage in early intervention from dispute resolution requirements;
- (2) Deleting requirements for attorneys' written affirmations in foreclosure filings;
- (3) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1370, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1370, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Har and Ito.
(Representative McDermott voted no.)

SCRep. 1170 Consumer Protection & Commerce on S.B. No. 8

The purpose of this measure is to provide additional protections for pet animals by:

- (1) Prohibiting the owners of pet animals or an owner's employees from performing any surgical procedure, including surgical birth, ear cropping, tail docking, dewclaw removal, and debarking on a pet animal, unless the owner or owner's employee is licensed as a veterinarian under Chapter 471, Hawaii Revised Statutes (HRS);
- (2) Establishing that practicing veterinary medicine without a license, including intentionally or knowingly performing any surgical procedure such as surgical birth, ear cropping, tail docking, dewclaw removal, and debarking, on a pet animal, is a class C felony; and
- (3) Specifying that accepted veterinary practices and certain customary practices, such as the cropping of ears or docking of tails by a veterinarian licensed under Chapter 471, HRS, shall not be considered cruelty to animals in the first degree.

The Humane Society of the United States, Hawaiian Humane Society, Hawaii Island Humane Society, Hawaii Veterinary Medical Association, Hawaiian Kennel Club, Animal Rights Hawaii, and numerous individuals testified in support of this measure. Several individuals testified in opposition to this measure. The Board of Veterinary Examiners and a few individuals provided comments.

Your Committee notes that consideration of further protections for pet animals may be warranted, such as requiring all persons not licensed to practice veterinary medicine to contact a licensed veterinarian 24 hours prior to conducting any surgical procedure on a pet animal. Should the Committee on Judiciary hear this measure, your Committee respectfully requests that these additional protections be considered.

Your Committee has amended this measure by:

- (1) Allowing persons, not licensed to practice veterinary medicine and residing in counties with a population of less than 500,000, to conduct tail docking and dewclaw removal procedures on pet animals within five days of the pet animal's birth;
- (2) Clarifying provisions relating to the prohibition against announcing, advertising, or otherwise holding oneself out to be a practitioner of veterinary medicine without having a valid unrevoked veterinary license;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 8, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 8, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Har.

SCRep. 1171 Consumer Protection & Commerce on S.B. No. 668

The purpose of this measure is to ensure the provision of quality health care for all Hawaii residents by requiring coverage of treatment for autism spectrum disorders.

More specifically, this measure:

- (1) Requires each individual or group accident and health or sickness insurance policy, contract, plan, or agreement; hospital or medical service plan policy, contract, or agreement; and health maintenance organization policy, contract, plan, or agreement issued or renewed in the State after December 31, 2013, to cover screening, diagnosis, and treatment for autism spectrum disorders for persons under age twenty-six;
- (2) Limits required coverage for behavioral health treatments to a maximum annual amount of \$50,000 and a maximum lifetime amount of \$300,000; and
- (3) Specifies that the covered treatments for autism spectrum disorders include behavioral health treatment, applied behavior analysis, pharmacy care, psychiatric care, psychological care, and therapeutic care.

UNITE HERE, Local 5; Special Education Advisory Council; Hawaii Medical Association; Community Children's Council of Hawaii; Hawaii Disability Rights Center; Autism Speaks; Hawaii Autism Foundation; and numerous individuals testified in support of this measure. The State Council on Developmental Disabilities testified in support of the intent of this measure. An individual testified in support of this measure with amendments. The Department of Human Services, Hawaii Association of Health Plans, Kaiser Permanente and The Chamber of Commerce of Hawaii testified in opposition to this measure. The Department of Commerce and Consumer Affairs, Department of Health, Department of Budget and Finance, Hawaii Medical Service Association, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Act proposed by this measure shall be known and may be cited as "Luke's Law";
- (2) Changing the date upon which each individual or group accident and health or sickness insurance policy, contract, plan, or agreement; hospital or medical service plan policy, contract, or agreement; and health maintenance organization policy, contract, plan, or agreement issued or renewed in the State shall provide coverage of treatment for autism spectrum disorders to an unspecified date;
- (3) Specifying that required coverage of treatment for autism spectrum disorders is for persons under age twenty-one;
- (4) Clarifying that well-baby and well-child screening shall be included in the coverage for the treatment of autism spectrum disorders;
- (5) Specifying that the Insurance Commissioner may post notice of and hold a public meeting before adjusting the maximum benefit;
- (6) Clarifying that an insurer may request a review of treatment not more than once every twelve months unless the insurer and licensed physician, psychiatrist, psychologist, clinical social worker, or registered nurse practitioner agree that a more frequent review is necessary;
- (7) Requiring that insurers include in their network of approved service providers only those providers who have cleared criminal background checks as determined by the insurer;
- (8) Clarifying that behavioral health treatment means evidence based counseling and treatment programs;
- (9) Including services provided by licensed social workers and licensed clinical social workers in the definition of "therapeutic care";

- (10) Including licensed clinical social worker in the definition of "treatment for autism spectrum disorders";
- (11) Changing the effective date to July 1, 2112; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 668, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 668, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Har, Tsuji and McDermott.

SCRep. 1172 Consumer Protection & Commerce on S.B. No. 960

The purpose of this measure is to establish a notice of postponement or cancellation of public sale requirement under part IA, Chapter 667, Hawaii Revised Statutes, relating to judicial foreclosures.

The Office of Consumer Protection testified in support of this measure. The Hawaii Credit Union League testified in opposition to this measure. The Hawaii Bankers Association and Hawaii Financial Services Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that a court-appointed commissioner, and not the foreclosing mortgagee, is responsible for postponement or cancellation of the public sale;
- (2) Including the foreclosing mortgagee, all parties to the foreclosure, and all prospective bidders who have so requested in the list of persons entitled to notice of the postponement, cancellation, or rescheduling of the public sale and removing State and county officials;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 960, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 960, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 1173 Consumer Protection & Commerce on S.B. No. 328

The purpose of this measure is to increase the number of available rental options for tenants with pets by amending the Residential Landlord-Tenant Code to allow a landlord, as a condition of a rental agreement, to add to the security deposit an amount to compensate for damages caused by any animal allowed to reside in the premises.

The Hawai'i Association of REALTORS, Hawaiian Humane Society, The Humane Society of the United States and numerous individuals testified in support of this measure. An individual testified in opposition to this measure. The Hawaii Civil Rights Commission and a few individuals provided comments.

Your Committee has amended this measure by:

- (1) Specifying that security deposits shall not be used to compensate for damages caused by a service animal that is allowed to reside in a premises pursuant to a rental agreement;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 328, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 328, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.
(Representative McDermott voted no.)

SCRep. 1174 Consumer Protection & Commerce on S.B. No. 495

The purpose of this measure is to implement certain recommendations of the Insurance Verification Working Group by, among other things:

- (1) Establishing a working group attached to the Department of Commerce and Consumer Affairs to assist in the development of a

program to identify uninsured motor vehicles in the State;

- (2) Establishing a Motor Vehicle Insurance Verification Special Fund and exempting monies in the special fund from transfer to the general fund for administrative expenses and from deposit in the Compliance Resolution Fund;
- (3) Changing the fine for the first violation of requirements to have a motor vehicle insurance policy in effect to \$125 and removing judges' discretionary authority to suspend a fine for failure to have insurance if the defendant later obtains insurance; and
- (4) Removing the requirements that would become duplicative and unnecessary for insurance identification cards and safety inspection requirements once the Motor Vehicle Insurance Verification Program becomes effective.

The Property Casualty Insurers Association of America and Hawaii Insurers Council provided testimony in support of this measure. The Department of Budget and Finance, Department of Commerce and Consumer Affairs, and City and County of Honolulu Department of Customer Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Motor Vehicle Insurance Verification Program use established industry standards for real-time automotive liability insurance verifications, as prescribed by the Insurance Industry Committee on Motor Vehicle Administration, as a guide rather than mandatory adherence to these standards by the Program;
- (2) Increasing the minimum fine for violations of Hawaii's motor vehicle insurance laws to \$125; and
- (3) Restoring the fine for a first offense of a person convicted of not having had a motor vehicle insurance policy in effect at the time the citation was issued to \$500.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 495, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 495, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1175 Consumer Protection & Commerce on S.B. No. 9

The purpose of this measure is to protect pet animals by prohibiting persons convicted of cruelty to animals in the first or second degree from possessing, owning, or residing with any pet animal for a minimum of five years and one year, respectively, from the date of conviction.

The Honolulu Police Department, The Humane Society of the United States, Hawaiian Humane Society, Hawaiian Kennel Club, Golden Retriever Club of Hawaii, and numerous individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying that persons convicted of cruelty to animals are prohibited from possessing, owning, or residing with any animals involved in the offense, rather than any pet animal;
- (2) Lowering the minimum number of years that persons convicted of cruelty to animals in the first degree are prohibited from possessing, owning, or residing with animals from five years to two years;
- (3) Clarifying that the definition of "person" for purposes of the offense of cruelty to animals in the second degree includes legal as well as natural persons;
- (4) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 9, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 9, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Har.

SCRep. 1176 Consumer Protection & Commerce on S.B. No. 1071

The purpose of this measure is to modernize banking laws. Specifically, this measure, among other things:

- (1) Specifies the powers of the Commissioner of Financial Institutions;
- (2) Updates terminology; and
- (3) Adjusts fees for financial institutions.

The Hawaii Bankers Association and an individual provided testimony in support of this measure. The Department of Commerce and Consumer Affairs and Hawaii Financial Services Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting reference to investigations with regard to:
 - (A) The charging of expenses to financial institutions by the Commissioner of Financial Institutions for travel, per diem, mileage, and other expenses incurred in connection with an examination; and
 - (B) The billing of expenses to financial institutions by the Commissioner of Financial Institutions as soon as feasible after the close of an examination;
- (2) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1071, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1071, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and Tsuji.
(Representative McDermott voted no.)

SCRep. 1177 Consumer Protection & Commerce on S.B. No. 1067

The purpose of this measure is to update the laws regulating escrow depositories by:

- (1) Expanding the powers of the Commissioner of Financial Institutions (Commissioner) to supervise, regulate, and examine escrow depositories;
- (2) Authorizing the Commissioner to issue permanent and temporary cease and desist orders and providing for their issuance and enforcement;
- (3) Increasing various fees, penalty amounts, and coverage requirements, including administrative fines, enhanced penalties for violations directed at elders, net capital requirements, fidelity bond requirements, insurance coverage requirements policy, and licensing fee amounts;
- (4) Imposing a fee for the transfer and change in control through transfer of stock in a corporate escrow depository licensee; and
- (5) Requiring escrow depository licensees to notify the Commissioner of any change in the escrow deposit licensees' designated escrow branch manager.

The Commissioner of Financial Institutions testified in support of this measure. The Hawaii Escrow Association testified in opposition to this measure.

Your Committee notes that the various fee increases, as well as the amended effective dates of sections that increase insurance and security requirements, represent a compromise among the various stakeholders in this measure. Your Committee wishes to further note the Committee's discussions regarding enhanced penalties for violations involving the elderly. These provisions have been left in the measure to support statewide policies aimed at protecting Hawaii's elderly population, a problem highlighted in a Honolulu Prosecutor's Office report that stated that crimes, including financial crimes, against the elderly have doubled from 2009 to 2012.

Your Committee has amended this measure by:

- (1) Requiring the Commissioner to report violations of federal law, rules, guidance, guidelines, statements, supervisory policies, or any similar proclamations, to the applicable federal authority rather than enforce compliance;
- (2) Removing the authority of the Commissioner to issue and enforce permanent and temporary cease and desist orders;
- (3) Deleting the definition of and references to "branch managers" in section 449-1, Hawaii Revised Statutes (HRS), as unnecessary to effectuate the intent of this measure;
- (4) Adding a definition, "examination and investigation," in section 449-1, HRS, for purposes of clarity, consistency, and style;
- (5) Imposing new advance requirements for notice to the commissioner in situations where designated escrow officers are terminated or replaced, including requirements for certain circumstances where advance notice is not possible;
- (6) Increasing the fee for the transfer or change in control of corporate escrow depository license resulting from stock transfer from \$2,000 to \$5,000;
- (7) Changing the effective date of increased insurance and security requirements so that they take effect on the date of the renewal of existing security devices, but not later than July 1, 2014;

- (8) Changing its effective date to January 1, 2112, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1067, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1067, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll, Har and Lee.
(Representative McDermott voted no.)

SCRep. 1178 Consumer Protection & Commerce on S.B. No. 1133

The purpose of this measure is to amend the Deposit Beverage Container Program exemption for liquid dietary supplements to only pertain to deposit beverage containers containing less than one ounce of a liquid dietary supplement.

The Department of Health; Sierra Club, Hawai'i Chapter; Zero Waste Kauai; and several individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Removing the Deposit Beverage Container Program exemption for liquids one ounce or less that are designed and consumed only as a nutritional dietary supplements;
- (2) Exempting containers of liquid deemed to be the sole item of a meal or a diet from inclusion in the Deposit Beverage Container Program; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1133, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1133, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har and McDermott.

SCRep. 1179 Consumer Protection & Commerce on S.B. No. 1240

The purpose of this measure is to require the Hawaii Health Connector to ensure that all individuals under age 19 purchase essential health benefits under the federal Patient Protection and Affordable Care Act (Federal Act), including pediatric dental coverage under a health plan.

The State Council on Developmental Disabilities and Hawaii Medical Service Association provided testimony in support of this measure. Kaiser Permanente Hawaii provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs and Department of Health provided comments on this measure.

Your Committee notes the Hawaii Health Connector's concern that this measure appears to impose an enforcement or regulatory role upon the Connector that is beyond the scope of its purpose as a facilitator and portal.

Accordingly, your Committee has amended this measure by:

- (1) Instead requiring the Hawaii Health Connector to provide information on the requirement that all individuals under age 19 have coverage with all essential health benefits under the federal Patient Protection and Affordable Care Act, including pediatric dental coverage;
- (2) Deleting language requiring the Hawaii Health Connector to alert and require individuals who do not have such coverage to reselect a qualified plan including pediatric dental coverage or add a qualified dental plan to the purchase; and
- (3) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1240, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1240, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Har.

SCRep. 1180 Consumer Protection & Commerce on S.B. No. 1069

The purpose of this measure is to enhance the regulation of licensees under the Secure and Fair Enforcement for Mortgage Licensing Act, Chapter 454F, Hawaii Revised Statutes (HRS).

The measure, among other things, amends chapter 454F, HRS, by:

- (1) Clarifying the licensure requirements for mortgage loan originators, mortgage loan originator companies, mortgage servicer companies conducting mortgage loan origination activities, and other licensees;
- (2) Adjusting fees for mortgage loan origination licensees; and
- (3) Establishing fees for mortgage servicer companies that conduct mortgage loan origination activities.

The Department of Commerce and Consumer Affairs provided testimony in support of this measure. The Hawaii Association of Mortgage Brokers provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting language that would have required a sole proprietor mortgage loan originator to pay annual license renewal fees, reinstatement fees, late fees, and criminal background check fees to obtain and maintain a valid sole proprietor mortgage loan originator license;
- (2) Clarifying that the mortgage loan originator company processing fee for each control person is \$35 and the fee shall not apply to a person who is a control person as of July 1, 2013, unless that person becomes a control person of another mortgage loan originator company;
- (3) Deleting language that requires a mortgage servicer company to pay an initial application fee of \$900 to maintain a valid mortgage loan originator company license;
- (4) Changing its effective date to July 1, 2012, for the purpose of facilitating further discussion; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1069, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1069, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Har.

SCRep. 1181 Energy & Environmental Protection on S.B. No. 15

The purpose of this measure, as received by your Committee, is to, among other things:

- (1) Change the existing law requiring ten percent ethanol fuel content in gasoline to a requirement that each distributor in the State who sells liquid fuels for use in motor vehicles shall ensure that locally-produced biofuels account for at least five percent by volume of the distributor's annual sales of liquid fuels for motor vehicles;
- (2) Specify that for diesel fuel, sales of no more than five percent of locally-produced biodiesel shall be required;
- (3) Change the reporting requirements for distributors; and
- (4) Define "biofuel".

For purposes of a public hearing, your Committee circulated a proposed draft of this measure and notified the public that it would be accepting testimony on the proposal, which, among other things:

- (1) Changes the existing law requiring ten percent ethanol fuel content in gasoline to a requirement that each distributor in the State who sells liquid fuels for use in motor vehicles shall ensure that locally-produced biofuels account for at least five percent by volume of the distributor's annual sales of liquid fuels for motor vehicles;
- (2) Specifies that for diesel fuel, sales of no more than five percent of locally-produced biodiesel shall be required;
- (3) Changes the reporting requirements for distributors;
- (4) Defines "biofuels";
- (5) Establishes a biofuels production tax credit for producers of at least 100,000 gallons of qualified biofuels per year with an aggregate annual limit of \$12,000,000; and
- (6) Repeals the ethanol facility tax credit.

Your Committee received testimony on the proposed draft that it noticed and circulated.

Hawaii Island Economic Development Board; Life of the Land; Hawaii Renewable Energy Alliance; Big Island Biodiesel; Alliance Biodiesel, Inc.; Blue Planet Foundation; and a few individuals provided testimony in support of this measure. The Alliance of Automobile Manufacturers; General Motors, LLC; Western States Petroleum Association; and a few individuals provided testimony in opposition to this measure. The Department of Taxation; Department of the Attorney General; Department of Business, Economic Development, and Tourism; Tax Foundation of Hawaii; Hawaii BioEnergy, LLC; Pacific Biodiesel Technologies; Airlines Committee of Hawaii; Hawaii Fueling Facilities Corporation; and Pacific West Energy, LLC provided comments on this measure.

Your Committee has adopted the proposed draft and has amended it further by:

- (1) Deleting the changes to existing law amending the ten percent ethanol fuel content requirement for gasoline and diesel fuel and, instead, creating a task force which shall exist until August 1, 2015, within the Department of Business, Economic Development, and Tourism to examine the potential effects of:
 - (A) Changing the ten percent ethanol fuel content in gasoline to a requirement that each distributor in the State who sells liquid fuels for use in motor vehicles ensure that locally-produced biofuels account for at least five percent by volume of the distributor's annual sales of liquid fuels for motor vehicles; and
 - (B) Requiring that for diesel fuel, sales of no more than five percent of locally-produced biodiesel shall be required;
- (2) Changing the measure's effective date so that the biofuel production tax credit will sunset on July 1, 2021; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that this measure may implicate issues involving the Commerce Clause of the United States Constitution. Your Committee will attempt to address these issues with your Committee on Consumer Protection & Commerce.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 15, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 15, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1182 Energy & Environmental Protection on S.B. No. 1045

The purpose of this measure is to clarify the regulatory authority of the Public Utilities Commission over electric cooperatives by:

- (1) Directing the Public Utilities Commission and the Division of Consumer Advocacy to specifically consider the ownership structure and interests of an electric cooperative in determining the scope and need for the application of any regulatory measure; and
- (2) Authorizing the Public Utilities Commission to waive or exempt an electric cooperative operating in the State from certain regulatory provisions by the Public Utilities Commission upon a finding that the provisions are inappropriate, unjust, unreasonable, or not in the public interest.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, Kauai Island Utility Cooperative, and Seven Councilmembers of the Kauai County Council testified in support of this measure. An individual provided comments.

Your Committee has amended this measure by clarifying that the granting of a waiver or exemption to an electric cooperative by the Public Utilities Commission does not affect the right of electric cooperative members or ratepayers to file a complaint with the Public Utilities Commission against an exempted electric cooperative.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1045, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1045, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1183 Energy & Environmental Protection on S.B. No. 17

The purpose of this measure is to levy the environmental response, energy, and food security tax (tax) on liquid, gaseous, and solid fossil fuels by:

- (1) Defining "fossil fuel" to include gaseous, liquid, and solid fuels;
- (2) Amending the definition of "distributor" to include persons who import fossil fuel into the State and use it to generate electricity to sell to an electric utility;
- (3) Providing that the tax shall not apply to coal utilized by an independent power producer that provides firm capacity power to a public utility whereby the annual heat input from non-fossil fuels of the firm capacity power generated by the independent power producer exceeds the annual heat input from fossil fuels;
- (4) Specifying that the tax applies to coal used to fulfill any power purchase agreement extended, modified, or renewed after September 1, 2016;
- (5) Specifying that the tax does not apply to a public utility until the conclusion of the public utility's next rate case; and
- (6) Specifying that the tax shall be \$0.12 per thousand cubic feet of gaseous fuel and \$4 per short ton of coal.

This measure also:

- (1) Amends the allocation of the tax for deposit into the Environmental Response Revolving Fund, Energy Security Special Fund, Energy Systems Development Special Fund, and Agricultural Development and Food Security Special Fund, by leaving the allocation amounts unspecified; and
- (2) Removes the June 30, 2013 repeal of the Energy Systems Development Special Fund and the periodic evaluation and plan of action requirements of that fund.

The Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; Department of Agriculture; Department of Health; Hawaii Invasive Species Council; AES Hawaii, Inc.; Alexander & Baldwin, Inc.; Ulupono Initiative; Hawaii Energy Policy Forum of the College of Social Sciences at the University of Hawaii at Manoa; Hawaii Green Growth Initiative; Hawaii Natural Energy Institute at the University of Hawaii at Manoa; Hawaii Solar Energy Association; The Nature Conservancy; and an individual provided testimony in support of this measure. HAWAIIIGAS and a few individuals provided testimony in opposition to this measure. The Department of Taxation; Life of the Land; Blue Planet Foundation; Tax Foundation of Hawaii; and Sierra Club, Hawaii Chapter provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting all provisions related to the proposed application of the environmental response, energy, and food security tax to liquid, gaseous, and solid fossil fuels;
- (2) Extending to June 30, 2015, the repeal date of the Energy Systems Development Special Fund and related provisions; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 17, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 17, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1184 Energy & Environmental Protection on S.B. No. 19

The purpose of this measure is to encourage renewable energy production to enable Hawaii to meet its clean energy initiative goals by, among other things:

- (1) Exempting from the definition of "public utility" a landlord or lessor who owns, operates, or manages renewable energy systems on their property and provides, sells, or transmits the power generated from the renewable energy systems to an electric utility and lessee or tenant on the same property;
- (2) Providing that the rate schedule charged to the lessee or tenant shall not be greater than the rate charged per kilowatt hour by the electric utility; and
- (3) Specifying that disputes concerning the provision, sale, or transmission of power generated from renewable energy systems, including rate schedules charged to the lessee or tenant shall be resolved pursuant to provisions of the lease agreement or provisions of the Residential Landlord-Tenant Code.

The Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Department of Taxation; Green Building, LLC; Hawaii Association of REALTORS; Hawaii Solar Energy Association; Blue Planet Foundation; Hamakua Springs Country Farms; and an individual provided testimony in support of this measure. The Public Utilities Commission; Building Industry Association of Hawaii; Carmel Partners; Distributed Energy Partners; Forest City Hawaii; Commercial Real Estate Development Association, Hawaii Chapter; GSF, LLC; Castle & Cooke Hawaii; Catholic Charities Housing Development Corporation; Sierra Club, Hawaii Chapter; Think Tech Hawaii; and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that its purpose is to exempt landlords and lessors who install renewable energy systems on their property and provide, sell, or transmit the power generated therefrom to tenants or lessees on the same property from the definition of "public utility"; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 19, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 19, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1185 Economic Development & Business on S.B. No. 1236

The purpose of this measure is to require the installation of fiber optic cable systems in new condominiums and planned communities by denying a building permit for such construction unless it includes a fiber optic cable system that meets the requirements established by the Director of Commerce and Consumer Affairs.

The Department of Business, Economic Development, and Tourism testified in support of this measure. The Building Industry Association of Hawaii testified in opposition to this measure. The Department of Commerce and Consumer Affairs, Office of Information Management and Technology, and Hawaii Association of REALTORS offered comments.

Your Committee has amended this measure by:

- (1) Requiring the installation of infrastructure that accommodates, at a minimum, fiber optic cable during new condominium and planned community construction;
- (2) Removing the requirement that a fiber optic cable system be installed during new condominium and planned community construction;
- (3) Specifying as minimum required infrastructure available conduit capacity and a dedicated junction box for each housing unit or building;
- (4) Removing language that required the Director of Commerce and Consumer Affairs to make rules regarding standards for mandatory fiber optic cable systems; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1236, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1236, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1186 Economic Development & Business on S.B. No. 750

The purpose of this measure is to establish an income tax credit for the development of qualified media infrastructure programs in designated or qualifying geographic areas of the State.

Big Island Film Office and one concerned individual opposed this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; SAG-AFTRA Hawaii; IATSE, Mixed Local 665; AFM, Local 677; Teamsters, Local 996; SHM Partners/Film Studio Group; Maui Film Studios, LLC; and one concerned individual offered comments.

Your Committee has amended this measure by changing its effective date to January 20, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 750, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 750, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1187 Economic Development & Business on S.B. No. 463

The purpose of this measure is to facilitate the growth of the film and digital media industry in the State by:

- (1) Extending the Motion Picture, Digital Media, and Film Production Income Tax Credit (Motion Picture Tax Credit) for an additional seven years from 2016 to 2023;
- (2) Increasing the Motion Picture Tax Credit by an unspecified amount depending on the population of the county where the qualified production costs occurred;
- (3) Removing the cap on the total Motion Picture Tax Credits that may be claimed for a qualified production;
- (4) Establishing a Media Infrastructure Project Tax Credit; and
- (5) Creating a Hawaii Film Office Special Fund, with funds from application fees to be deposited into the Special Fund and funds expended to manage Media Infrastructure Project Tax Credits and related programs.

NBC Universal Media, LLC supported this measure. The Big Island Film Office and two concerned individuals opposed this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; SAG-AFTRA Hawaii; IATSE, Mixed Local 665; AFM, Local 677; Teamsters, Local 996; Maui Film Studios, LLC; and one concerned individual offered comments.

Your Committee has amended this measure by:

- (1) Removing the provisions relating to the Media Infrastructure Project Tax Credit, including the Hawaii Film Office Special Fund;
- (2) Reinstating the Motion Picture Tax Credit amount at fifteen and twenty per cent, respectively, depending on the population of the county where the qualified production costs occurred;
- (3) Reinstating the \$8,000,000 cap on total Motion Picture Tax Credits that may be claimed for a qualified production;

- (4) Removing a provision that excludes Internet-only distribution media from the definition of "digital media" for purposes of the Motion Picture Tax Credit;
- (5) Replacing "daily news" with "news" on the list of productions that are not qualified productions for purposes of the Motion Picture Tax Credit;
- (6) Excluding State and county facility and location fees that are not subject to general excise or State income tax from the costs for rentals and fees for use of local facilities and locations that are qualified production costs for purposes of the Motion Picture Tax Credit;
- (7) Extending the Motion Picture Tax Credit for an additional nine years from 2016 to 2025, instead of seven years;
- (8) Requiring the Department of Business, Economic Development, and Tourism to submit an annual cost benefit analysis report on the Motion Picture Tax Credit to the Legislature commencing with the 2014 Regular Session; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 463, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 463, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1188 Economic Development & Business/Water & Land on S.B. No. 215

The purpose of this measure is to foster collaboration among state agencies and private sector entities to deliver public services and facilities more effectively by:

- (1) Creating a Public-Private Partnership Authority (PPPA) within the Department of Business, Economic Development and Tourism (DBEDT) to:
 - (A) Identify projects appropriate for PPPA participation;
 - (B) Conduct analysis of the project;
 - (C) Enter into public-private partnership agreements; and
 - (D) Provide leadership in public-private partnership projects,
- (2) Identifying three specific pilot projects for the PPPA to initiate; and
- (3) Appropriating an unspecified sum to DBEDT for the establishment and staffing of the PPPA.

DEBDT; the Department of Land and Natural Resources; Hawaii Building and Construction Trades Council, AFL-CIO; and one concerned individual supported this measure. Hawaii's Thousand Friends, Aikea Hawaii, Puna Pono Alliance, UNITE HERE Local 5, and numerous individuals opposed this measure. The Department of the Attorney General; Office of Hawaiian Affairs; Department of Planning and Permitting, City and County of Honolulu; Mayor of the County of Maui; Land Use Research Foundation of Hawaii; SHM Partners, Film Studio Group; Building Industry Association of Hawaii; The Chamber of Commerce of Hawaii; Pacific Resource Partnership; Outdoor Circle; and two members of the Maui County Council offered comments.

Your Committees respectfully request that the Committee on Finance look at the tax exemption language in part I of this measure and determine whether this exemption is desirable for PPPA's purposes. Your Committees note a further concern that in addition to PPPA's required compliance with all state laws in part I, PPPA should also explicitly be required to comply with all county laws and ordinances. Your Committees also note that this measure may provide a stimulus to initiate and complete projects that have been waiting decades to begin. Finally, your Committees note that this measure is different from the publically-criticized Public Land Development Corporation because it does not grant any land use exemptions or tools to evade the public process to the PPPA or to any project.

Your Committees have amended this measure by:

- (1) Clarifying language relating to the ex officio board members;
- (2) Clarifying that the two appointed board members shall be appointed by the Governor from lists provided by the Speaker of the House of Representatives and the President of the Senate respectively and pursuant to section 26-34, Hawaii Revised Statutes;
- (3) Specifying that quorum for the board of directors is three members and that actions of the board must be affirmed by three affirmative votes of the board;
- (4) Clarifying that the PPPA has the power to lease property from public agencies for its projects;
- (5) Specifying the sources of revenues to be deposited in the general fund; and
- (6) Amending language authorizing the initiation of specific pilot projects by the authority, including by:

- (a) Removing language that limited the location of the film production facility pilot project;
 - (b) Specifying that the authority shall initiate one county-initiated pilot project per county; and
 - (c) Adding a pilot project for a small boat harbor facility on state lands; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 215, S.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 215, S.D. 3, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Cullen, Kawakami and Lee.
(Representatives Thielen and Ward voted no.)

SCRep. 1189 Public Safety/Health on S.B. No. 972

The purpose of this measure is to amend the Uniform Controlled Substances Act, in Chapter 329, Hawaii Revised Statutes, by:

- (1) Adding definitions of "electronic prescriptions", "electronic prescription application", and "electronic signature" to be consistent with federal law;
- (2) Clarifying conditions for electronic prescriptions for controlled substances; and
- (3) Specifying prohibited acts related to electronic prescriptions for controlled substances.

The Hawaii Medical Service Association, Hawaii Medical Association, CVS Caremark, Walgreen Co., and a concerned individual supported this measure.

As affirmed by the records of votes of the members of your Committees on Public Safety and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 972 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Jordan, Yamane and McDermott.

SCRep. 1190 Public Safety on S.B. No. 44

The purpose of this measure is to assist the mental health community. Specifically, this measure, among other things:

- (1) Adds the definition of "law enforcement officer" to Chapter 334, Hawaii Revised Statutes (HRS), relating to mental health, mental illness, drug addiction, and alcoholism;
- (2) Changes references of "police officer" to "law enforcement officer" in sections of the HRS relating to emergency hospital admission and involuntary hospitalization; and
- (3) Authorizes advanced practice registered nurses to assess whether there is probable cause to believe a person is mentally ill, suffering from substance abuse, imminently dangerous to self or others, gravely disabled, or obviously ill, and in need of care or treatment, or both.

The Department of Public Safety, Department of Health, Department of the Attorney General, Hawai'i State Center for Nursing, Community Alliance for Mental Health, United Self Help, and a number of concerned individuals supported this measure. A concerned individual supported this measure with amendments.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 44, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Takumi, Yamane and McDermott.

SCRep. 1191 Public Safety on S.B. No. 71

The purpose of this measure is to support organizations that provide rehabilitative and re-entry programs and services to incarcerated and formerly incarcerated individuals. Specifically, this measure appropriates funds to the Department of Public Safety to contract with community-based non-profit organizations to provide education, mentoring, restorative circles, farming, artisan skills, cognitive behavioral therapy, and cultural healing services to inmates and former inmates who are under the custody and control of the Department of Public Safety or the Hawaii Paroling Authority.

The Community Alliance on Prisons and numerous individuals supported this measure. The Department of Public Safety offered comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 71, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 71, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Takumi and Yamane.

SCRep. 1192 Public Safety on S.B. No. 682

The purpose of this measure is to clarify and update a county fire chief's authority to review construction, alteration, and other installation plans and specifications for buildings or properties, for compliance with the fire code and fire and life safety standards, and to require that no work shall commence without the necessary permits issued by the jurisdiction having authority.

The State Fire Council, Kauai Fire Department, and a concerned individual supported this measure. The Building Industry Association of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adding clarifying language relating to compliance with the county's adopted fire code and deleting language relating to compliance with fire and life safety standards; and
- (2) Changing the effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 682, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 682, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Takumi and Yamane.

SCRep. 1193 Public Safety on S.B. No. 880

The purpose of this measure is to protect the children in the State by requiring the court to impose a mandatory minimum term of imprisonment without the possibility of parole or probation for a person convicted of certain acts of sexual assault against a minor under the age of twelve years.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and The Sex Abuse Treatment Center supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 880, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 880, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamane.

SCRep. 1194 Public Safety on S.B. No. 1016

The purpose of this measure is to update the covered offender registration law to clarify provisions, address issues that have arisen in implementation, and continue efforts to comply with the federal Sex Offender Registration and Notification Act. Specifically, this measure:

- (1) Amends definitions included in the covered offender registration law for purposes of conforming to federal law, maintaining internal consistency, and deleting obsolete terms;
- (2) Clarifies that covered offenders, whether or not residents of Hawaii, who remain in Hawaii for more than ten days or for an aggregate period exceeding thirty days in one calendar year, are required to register with the Attorney General and provide current permanent and temporary address information;
- (3) Clarifies that the court shall advise a covered offender of the registration requirements and start the registration process after sentencing and the entry of a judgment;
- (4) Provides for quarterly updates to registry information by mail for covered offenders with a permanent mailing address and in-person for those without a permanent mailing address;
- (5) Clarifies penalties for failure to comply with registration requirements, including by clarifying allowable defenses; and
- (6) Amends the classification of offenses for purposes of duration of registration requirements to account for offenses prosecuted in tribal or foreign jurisdictions and that are not otherwise classified in statute.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, Hawaii County Office of the Prosecuting Attorney, Hawai'i Police Department, Maui Police Department, and The Sex Abuse Treatment Center supported this measure. The Department of the Attorney General supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Reinstating a provision that requires covered offenders from other jurisdictions, who were subject to registration or public notification requirements in the other jurisdiction, to register in Hawaii; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1016, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1016, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamane.

SCRep. 1195 Public Safety on S.B. No. 1183

The purpose of this measure is to clarify intake service centers' core responsibility by:

- (1) Repealing the requirement that intake service centers provide specified pretrial assessments and assist in the conduct of specified presentence assessments on adult offenders; and
- (2) Requiring intake service centers to provide specified pretrial bail reports on adult offenders to the courts, with provisions for confidentiality and authorized report distribution.

The Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1183, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Takumi and Yamane.

SCRep. 1196 Consumer Protection & Commerce on S.B. No. 66

The purpose of this measure is to further ensure transparency and accountability of individuals serving in state government by making the financial disclosure statements of state board and commission members, holding official authority over permitting and licensing, public documents and available for public inspection.

The Hawaii State Ethics Commission; Councilmember for District 9, Hawaii County Council; Hawaii BioEnergy Producers Cooperative; Hawaii's Thousand Friends; and numerous individuals testified in support of this measure. Life of the Land testified in support of this measure with amendments. The Public Utilities Commission and several individuals provided comments on this measure.

Your Committee finds that the members of state boards and commissions are vested with significant regulatory or adjudicatory authority. Therefore, in the interest of ensuring transparency and accountability of individuals serving in state government, your Committee has amended this measure by:

- (1) Including in the list of persons whose financial disclosure statements shall be public records and available for inspection the members of the:
 - (A) Hawaii Labor Relations Board;
 - (B) Labor and Industrial Relations Appeals Board;
 - (C) Board of Regents of the University of Hawaii; and
 - (D) State Ethics Commission;
- (2) Removing the Board of Directors of the Aloha Tower Development Corporation from the list of persons whose financial disclosure statements shall be public records and available for inspection because the Aloha Tower Development Corporation consists of three voting members who are directors of existing state departments that are already required to have their financial disclosure statements be public records and available for inspection pursuant to section 84-17(d)(2), Hawaii Revised Statutes; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 66, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 66, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 1197 Consumer Protection & Commerce on S.B. No. 1087

The purpose of this measure is to promote the purchase and installation of green infrastructure equipment among electric utility customers through a loan program financed by the issuance of revenue bonds. Specifically, this measure, among other things:

- (1) Establishes the Hawaii Green Infrastructure Loan Program;
- (2) Establishes the Hawaii Green Infrastructure Authority within the Department of Business, Economic Development, and Tourism;
- (3) Establishes green infrastructure property for which a green infrastructure fee will be imposed upon electric utility customers to pay for bonds and financing costs;
- (4) Establishes the Hawaii Green Infrastructure Bond Fund;
- (5) Establishes the Hawaii Green Infrastructure Special Fund;
- (6) Authorizes the Department of Business, Economic Development, and Tourism to issue up to \$200,000,000 in revenue bonds to establish and administer the Hawaii Green Infrastructure Loan Program;
- (7) Appropriates \$100,000,000 for fiscal year 2013-2014 and \$100,000,000 for fiscal year 2014-2015 out of the Hawaii Green Infrastructure Special Fund; and
- (8) Appropriates \$10,000,000 for fiscal year 2013-2014 and \$20,000,000 for fiscal year 2014-2015 out of the Hawaii Green Infrastructure Bond fund.

The Office of the Governor; Division of Consumer Advocacy of Department of Commerce and Consumer Affairs; Public Utilities Commission; Department of Business, Economic Development, and Tourism; Department of Budget and Finance; Ulupono Initiative; Environmental Defense Fund, Land Use Research Foundation of Hawaii; Hawaii Carpenters Union; The Pacific Resource Partnership; Sierra Club, Hawai'i Chapter; Blue Planet Foundation; and a concerned individual supported this measure. The Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company supported the intent of this bill. The State Procurement Office opposed.

Your Committee notes that concerns have been raised that the measure allows the Public Utilities Commission to create a Green Infrastructure Fee. However, your Committee notes that this measure includes rate-controlling provisions to protect ratepayers. Such provisions would allow the Public Utilities Commission to utilize a portion of the funds already being collected under the existing Public Benefits Fee to offset amounts collected under the Green Infrastructure Fee. Your Committee respectfully requests that the Committee on Finance further examine this issue.

Your Committee has amended this measure by making technical, nonsubstantive amendments, including the relocation of existing provisions, for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1087, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1087, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla and Har.

SCRep. 1198 Consumer Protection & Commerce on S.B. No. 623

The purpose of this measure is to:

- (1) Provide income tax credits for renewable energy technologies for solar energy properties and wind energy properties, rather than solar energy systems and wind energy systems, including by specifying eligibility for and amounts of the credits; and
- (2) Require the Department of Taxation, in collaboration with the Department of Business, Economic Development, and Tourism, to report to the Legislature regarding tax credits claimed for solar and wind energy properties.

The Department of Business, Economic Development, and Tourism; First Wind; Sierra Club, Hawaii Chapter; and Building Energy Group provided testimony in support of this measure. The Department of Taxation; Green Power Projects, LLC; Blue Planet Foundation; and Hawaii Renewable Energy Alliance provided testimony in support of the intent of this measure. Hawaii PV Coalition; Hawaii Solar Energy Association; The Pacific Resource Partnership; Sovereign Councils of the Hawaiian Homelands Assembly; Distributed Energy Partners; RevoluSun; Kairos Energy Capital; SunPower Systems Corporation; Sunrun; SunEdison; Keahole Solar Power, LLC; Forest City Hawaii; Sunetric; AlphaStream Capital Management, LLC; Inter-Island Solar Supply; Ulupono Initiative; Hunt Alternative Energy Investments, LLC; Hawaii Energy Connection, LLC; SolarCity; and Rising Sun Solar and Electric provided testimony in support of this measure with amendments. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "basis" to:
 - (A) Provide that the term does not include the cost incurred in construction or reconstruction of a structure in conjunction with the installation and placing in service of solar or wind energy property; and
 - (B) Include examples of what is included and is not included; and
- (2) Amending the definition of "property" so that it better conforms to the term as used in the Internal Revenue Code.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 623, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 623, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har and McDermott.

SCRep. 1199 Human Services on S.B. No. 301

The purpose of this measure is to support asset building and financial security for Hawaii's middle class families by establishing a state refundable earned income tax credit as recommended by the Hawaii State Asset Building and Financial Education Task Force.

The Office of Hawaiian Affairs; Catholic Charities Hawaii; Hawaii Catholic Conference; Aloha United Way; Hawaii Alliance for Community-Based Economic Development; Community Alliance on Prisons; Hawaii Appleseed Center for Law and Economic Justice; Goodwill Industries of Hawaii, Inc; PHOCUSED; Partners In Care; and a concerned individual testified in support of this measure. The Department of Human Services supported the intent of this measure. The Department of Taxation; National Community Tax Coalition; and the Tax Foundation of Hawaii provided comments.

Your Committee notes that while it is important to support asset building by Hawaii's families, it is also important to guard against fraud and ensure state tax revenues are sufficient to support our safety net services. Your Committee notes that this earned income tax credit, as written, makes it difficult for the State to validate properly claimed credits. Also, in addition to this measure establishing an earned income tax credit, another separate measure, currently being considered in this legislative session, proposes to reduce the income tax liability of low-income taxpayers by amending the food/excise tax credit. That measure, rather than this earned income tax credit, may provide better relief to the neediest families. Your Committee believes that further discussion and evaluation of this measure, including comparison to other means of tax relief, is necessary.

Your Committee has amended this measure by:

- (1) Replacing provisions that would have allowed a refund if the credit exceeds the taxpayer's income tax liability, with provisions allowing the excess to be used as a credit against the taxpayer's income tax liability in subsequent years until exhausted;
- (2) Requiring the credit to apply to taxable years after December 31, 2014, to provide time for the Department of Taxation to prepare forms and alert taxpayers of the tax credit; and
- (3) Making technical, nonsubstantive amendments for clarity, consistence, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 301, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 301, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1200 Human Services/Housing on S.B. No. 515

The purpose of this measure is to support and fund programs offering services to individuals who are homeless. Specifically this measure:

- (1) Appropriates funds from the general revenues of the State to the Department of Human Services to fund Homeless Programs Office initiatives, rental assistance, Housing First programs, and the homeless prevention and rapid rehousing program, and to provide matching funds for the federal Shelter Plus Care Program;
- (2) Authorizes the issuance of general obligation bonds to fund appropriations for rental assistance from the Rental Housing Trust Fund; and
- (3) Appropriates funds from the general revenues of the State to the Department of Health for substance abuse treatment and mental health services for individuals who are homeless, and for Clean and Sober Housing services.

Department of Health; Department of Business, Economic Development and Tourism; Hawaii Substance Abuse Coalition; the Community Alliance for Mental Health and United Self Help; Hawaii Appleseed Center for Law and Economic Justice; Helping Hands Hawaii; the Homeless and Affordable Housing Institute; and two concerned individuals testified in support of this measure. Catholic Charities Hawaii; Mental Health Kokua; Partners in Care supported this measure with amendments. The Department of Human Services provided comments.

Your Committees note that certain services included in this measure may be funded through separate individual appropriations in other measures, while other services for homeless individuals are not included in this measure.

Your Committees have amended this measure by:

- (1) Amending the purpose of the appropriation to the Department of Human Services Homeless Programs Office to include only housing and employment assistance and not health, education, and support services;
- (2) Deleting the authorization for general obligation bonds and related appropriations to the Department of Human Services to fund the Rental Housing Trust Fund;
- (3) Deleting general fund appropriations to the Department of Human Services for rental assistance programs and rapid re-housing programs;
- (4) Deleting appropriations to the Department of Health for substance abuse and mental health support services that assist persons experiencing homelessness and at risk for homelessness;
- (5) Establishing the Return-to-Home program and the Return-to-Home special fund to provide homeless individuals with assistance in being reunited with family and relatives in the individual's home state outside of Hawaii and appropriating funds to the special fund;

- (6) Establishing and appropriating funds for temporary nighttime parking lots to provide safe overnight parking for homeless individuals who live and sleep in their motor vehicles;
- (7) Establishing safe haven campsites on surplus or available open or vacant locations owned by the State including by appropriating funds to the Department of Human Services for safe haven facilities such as pavilions, showers, potable water, washing machines, lockers, and security and requiring the to adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, to implement the program; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 515, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 515, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Belatti.

SCRep. 1201 Judiciary on S.B. No. 69

The purpose of this measure is to promote gun safety and enhance registration requirements for firearms by requiring a background check for persons arriving in Hawaii with a firearm procured out-of-state.

The Honolulu Police Department, Hawai'i Police Department, Kauai Police Department, Maui Police Department, Hawaii Rifle Association, Injury Prevention Advisory Committee, and several concerned individuals supported this measure. The National Rifle Association and numerous concerned individuals opposed this measure. The Department of the Attorney General and several concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 69, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative McDermott voted no.)

SCRep. 1202 Judiciary on S.B. No. 635

The purpose of this measure is to protect law enforcement animals in the line of duty by amending the existing offenses of causing injury or death to a service dog and intentional interference with the use of a service dog to include law enforcement animals, specify exceptions, increase the penalty for causing injury or death, and provide for restitution upon conviction of intentional interference.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Department of Public Safety, Honolulu Police Department, and Maui Police Department supported this measure. The Humane Society of the United States supported this measure with amendments. A concerned individual opposed this measure. The Humane Society of Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Removing language that added law enforcement animals to the existing offenses of causing injury or death to a service dog and intentional interference with the use of a service dog and that otherwise amended those existing offenses;
- (2) Adding language to create the offense of cruelty to a law enforcement animal in the first degree, making it a felony to intentionally or knowingly cause the death of or substantial bodily injury to a law enforcement animal while the animal is engaged in its law enforcement or corrections duties, providing exceptions to the offense, providing for an affirmative defense, and providing for restitution to affected parties;
- (3) Adding new language to create the offense of cruelty to a law enforcement animal in the second degree, making it a misdemeanor to intentionally or knowingly cause injury to or to recklessly cause the death or substantial bodily injury of a law enforcement animal while the animal is engaged in its law enforcement or corrections duties, providing exceptions to the offense, providing for an affirmative defense, and providing for restitution to affected parties;
- (4) Adding definitions of "bodily injury" and "substantial bodily injury"; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 635, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 635, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1203 Judiciary on S.B. No. 74

The purpose of this measure is to:

- (1) Allow committed persons, at the discretion of the Director of Public Safety, to create products and crafts to be offered for sale by the Director;

- (2) Allocate the proceeds of these sales to the committed person's current facility's fund for reentry or rehabilitation services or programs, the crime victim compensation special fund, and the account maintained by the Department of Public Safety for the committed person; and
- (3) Require the Department of Public Safety to study other states' practices on the making and sale of arts and crafts by inmates.

The Crime Victim Compensation Commission, the Community Alliance on Prisons, and several concerned individuals testified in support of this measure. The Department of Public Safety provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to upon its approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 74, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 74, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1204 Judiciary on S.B. No. 873

The purpose of this measure is to support and facilitate the collection of court-ordered restitution for crime victims by:

- (1) Establishing requirements and procedures for income withholding orders for crime victim restitution;
- (2) Repealing a court's authority to revoke restitution once ordered;
- (3) Requiring that all money posted by the defendant as bail or bond be applied toward the payment of any court-ordered restitution, fines, or fees in the same case;
- (4) Expanding crime victims' access to adult probation records to include access to the defendant's record of compliance with court-ordered payments; and
- (5) Appropriating funds to the Judiciary for the purpose of enhancing the collection of restitution and hiring of necessary staff.

The Department of the Prosecuting Attorney of the City and County of Honolulu and the Crime Victim Compensation Commission supported this measure. The Judiciary, the Department of the Attorney General, and one concerned individual provided comments on the measure.

Your Committee has amended this measure by:

- (1) Removing the prohibition on the court's ability to revoke restitution once it is ordered;
- (2) Limiting instances where monies already paid shall be applied toward the payment of restitution, fines, or fees to monies paid as bail and where it was the defendant's own money deposited for the bail, and placing the burden of proof on the prosecution to show by a preponderance of the evidence that the money deposited for bail was the defendant's own money;
- (3) Requiring the court to allow 30 days for a defendant to make restitution payment in full before an income withholding order is issued;
- (4) Expanding the types of court orders having priority over income withholding orders for restitution to include orders made pursuant to chapter 576B, Hawaii Revised Statutes (Uniform Interstate Family Support Act), to ensure compliance with federal law; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 873, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 873, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representative McDermott voted no.)

SCRep. 1205 Judiciary on S.B. No. 693

The purpose of this measure is to increase traffic safety by establishing a three-year pilot photo red light imaging detector system program that is administered by a nonprofit organization and amending other statutes regarding highway safety.

The Department of Transportation, State Highway Safety Council, American Medical Response, and numerous concerned individuals supported this measure. The American Civil Liberties Union of Hawaii and a concerned individual opposed this measure. Mothers Against Drunk Driving Hawaii, Hawaii Bicycling League, and two concerned individuals provided comments.

Your Committee notes that revenues generated from the proposed system shall go into the general fund, and thus your Committee has concerns that it respectfully asks the Committee on Finance to consider regarding the necessity and practicality of mandating that the pilot photo red light imaging detector system program be administered by a nonprofit organization.

In addition, your Committee respectfully asks the Committee on Finance to consider having an employee of the police department, rather than a police officer, examine whether the ticket should be issued. Next, your Committee notes that the intersection of Vineyard Boulevard and Punchbowl Street is a particularly dangerous one. Your Committee further finds that it is already equipped with the hardware necessary for a red light camera. Accordingly, your Committee respectfully urges the Committee on Finance to consider adding the intersection of Vineyard Boulevard and Punchbowl Street as a sixth location for the photo red light imaging detector system.

Lastly, your Committee finds that the concerns of the shipping companies regarding their trailers being ticketed when the truckers they hire run through red lights are valid, and respectfully requests that these concerns be taken into consideration by the Committee on Finance.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 693, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Cabanilla and McDermott voted no.)

SCRep. 1206 Judiciary on S.B. No. 1340

The purpose of this measure is to add a new part to Hawaii law governing Department of Human Services (chapter 346, Hawaii Revised Statutes) to provide for the care and supervision of eligible foster youth until their twenty-first birthday.

The Department of Human Services, Office of Hawaiian Affairs, Catholic Charities Hawai'i, Epic 'Ohana, Inc., Family Programs Hawaii, Hawaii Community Foundation, Hawaii Foster Youth Coalition, Hawaii Youth Services Network, Hi H.O.P.E.S. Youth Leadership Boards (Kauai, O'ahu, East Hawaii, West Hawaii), and numerous concerned individuals submitted testimony in support of this measure. The Judiciary and the Legal Aid Society of Hawaii submitted comments.

During the hearing, your Committee circulated a Proposed S.B. No. 1340, H.D. 2 (proposed draft) which amended the measure as received by your Committee by:

- (1) Defining "department" as the Department of Human Services and its authorized representatives;
- (2) Specifying that young adults have a right to receive meaningful court reviews and to request competent legal counsel;
- (3) Clarifying that a young adult may request to participate in hearings and reviews by phone or request to be excused;
- (4) Allowing the Department of Human Services to begin providing extended foster care services to an eligible young adult prior to the filing of the petition invoking the jurisdiction of the court or the court's determination of jurisdiction in the matter;
- (5) Clarifying that the petition includes a statement of facts that support the eligibility of the young adult for foster care services instead of the facts that support the voluntary care agreement;
- (6) Decreasing the amount of time for the court to make a determination as to whether extending foster care services is in the young adult's best interests once a petition invoking jurisdiction is filed from thirty to fifteen days;
- (7) Establishing a comprehensive description of a "case plan;"
- (8) Clarifying that the Department of Human Service's required report to the court shall describe any proposed revisions to goals or the methods for achieving the goals of the case plan;
- (9) Specifying that all documents, reports, or records relating to the young adult shall be confidential and released only with the consent of the young adult or by the consent of the court for good cause shown;
- (10) Authorizing the court to appoint counsel for the young adults in certain circumstances;
- (11) Changing the effective date to be July 1, 2013; and
- (12) Making technical, nonsubstantive amendments for clarity, consistency, and style.

After careful consideration, you Committee has amended the bill as received by adopting the provisions of the proposed draft.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1340, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1340, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1207 Consumer Protection & Commerce on S.B. No. 46

The purpose of this measure is to protect post-secondary students in the State by establishing the State Post-secondary Education Commission

within the Department of Commerce and Consumer Affairs (DCCA) to comply with new federal regulations for post-secondary educational institutions. This measure also repeals the current State Post-secondary Education Commission, located within the University of Hawaii.

The Policy Office of the Governor, University of Hawaii, Hawaii Pacific University, Chaminade University of Honolulu, University of Phoenix, International Quantum University for Integrative Medicine, and Hawaii Association of Independent Schools supported this bill. The Department of Commerce and Consumer Affairs opposed this measure. The State Procurement Office provided comments.

Your Committee has amended this measure by:

- (1) Deleting provisions relating to a Post-secondary Education Commission and replacing them with provisions for the establishment of a Post-secondary Education Authorization Program;
- (2) Clarifying the definition of "physical presence";
- (3) Deleting provisions explicitly stating the institutions to which the regulatory program applies;
- (4) Requiring that private colleges or universities, including occupational or vocational schools, that enroll students only at the certificate level to engage in a profession or vocation that is regulated under another chapter to be subject to the regulatory program;
- (5) Specifying that the University of Hawaii may apply for authorization as long as it meets the criteria for and complies with all authorization requirements;
- (6) Clarifying that DCCA has the authority to impose sanctions upon the University of Hawaii under specified conditions;
- (7) Removing the June 30, 2014, deadline by which policies and procedures for reauthorization must be adopted and specifying that such policies and procedures may be adopted as necessary;
- (8) Clarifying that DCCA is authorized to receive, arbitrate, investigate, and process complaints;
- (9) Specifying additional entities that are authorized to award certain degrees;
- (10) Requiring private colleges or universities under the jurisdiction of DCCA to notify DCCA at least one year prior to ceasing operations in the State;
- (11) Requiring that private colleges and universities apply for reauthorization every two years, rather than every three years or in accordance with their schedule for reaccreditation;
- (12) Requiring that seminaries and religious training institutions apply for reauthorization every two, rather than three, years;
- (13) Deleting provisions that condition the reauthorization of regulated institutions on the absence of pending investigations;
- (14) Deleting vague and duplicative provisions from the list of prohibited practices;
- (15) Deleting provisions allowing a regulated institution to contest a decision to revoke authorization or place the institution on probationary status for failure to maintain authorization;
- (16) Providing that upon the cessation of operations a regulated institution, its owner, or the owner's designee, and its governing board are jointly and severally liable to deposit the institution's educational records with DCCA;
- (17) Authorizing DCCA to seek additional relief as necessary if it is determined that the records of a regulated institution that ceases operation are in danger of being made unavailable;
- (18) Specifying that the requirements with respect to the deposit of records do not apply to public, out-of-state institutions;
- (19) Clarifying certain criteria concerning how a private college or university can also demonstrate financial integrity;
- (20) Clarifying that a surety bond filed with the Director of DCCA for the purpose of demonstrating financial integrity shall run concurrently with any period of authorization or reauthorization unless terminated or cancelled by the surety company;
- (21) Clarifying the amount and calculation of the surety bond used to demonstrate financial integrity by a private college or university;
- (22) Removing authorization to disapprove a surety bond if it is not sufficient to provide students with indemnification and alternative enrollment;
- (23) Clarifying when DCCA is required to provide notice to a private college or university that its surety bond has been cancelled;
- (24) Clarifying the authority of the Department of the Attorney General to recover restitution for enrolled students of a private college or university that ceases operation;
- (25) Removing the July 1, 2014, deadline by which complaint procedures must be established;
- (26) Deleting the authorization to forward a complaint and any findings to the Department of the Attorney General if the University of Hawaii system, a private college or university, seminary, or religious training institution does not take certain recommended actions;

- (27) Requiring educational records required to be deposited with DCCA upon cessation of operations to be in a form prescribed by the director of DCCA, rather than be the original or legible copies;
- (28) Deleting provisions for claims made for a loss of tuition or fees that are unrelated to a private college or university that ceases operation;
- (29) Setting the authorization fee at \$10,000 and requiring that the fee be paid every two years upon application for reauthorization, in addition to the initial application for authorization;
- (30) Inserting an appropriation amount of \$600,000 in general revenues for each year of fiscal biennium 2013-2015 to be deposited into the Post-secondary Education Authorization Special Subaccount of the Compliance Resolution Fund;
- (31) Inserting an appropriation amount of \$600,000 for each year of fiscal biennium 2013-2015 from the Post-secondary Education Authorization Special Subaccount to fund three full-time equivalent permanent positions to implement the provisions of this measure;
- (32) Requiring consideration of an appropriate authorization fee structure within the implementation coordinator or team's scope of work;
- (33) Inserting an appropriation amount of \$50,000 in general revenues for fiscal year 2013-2014 for DCCA to contract for an implementation coordinator or team;
- (34) Providing for the automatic repeal of administrative rules promulgated by the State Post-secondary Education Commission under the University of Hawaii;
- (35) Requiring the Director of DCCA to report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014 regarding the Post-secondary Education Authorization Program;
- (36) Changing its effective date to upon approval, except with respect to sections containing appropriations; and
- (37) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 46, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 46, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.
(Representative McDermott voted no.)

SCRep. 1208 Consumer Protection & Commerce on S.B. No. 510

The purpose of this measure is to clarify the responsibilities of professional employer organizations (PEOs) and resolve conflicts with existing laws regarding PEOs.

Hawaii Association of Professional Employer Organizations, Talent HR Solutions, and Hawaii Human Resources, Inc. testified in support of this measure. The Department of Taxation, Department of Labor and Industrial Relations, and ILWU Local 142 testified in support of the intent of this measure. The Tax Foundation of Hawaii and ALTRES, Inc. provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing a PEO to post a letter of credit from an accredited financial institution in lieu of the required bond;
- (2) Specifying that a PEO in compliance with Chapter 373K, Hawaii Revised Statutes, shall not be responsible for administrative or other violations of law arising out of the duties and responsibilities of worksite employers to worksite employees;
- (3) Reclassifying the defined terms "covered employee", "offsite employer of record", and "work site employer" as "worksite employee", "administrative employer", and "worksite employer", respectively; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 510, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 510, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1209 Consumer Protection & Commerce on S.B. No. 1068

The purpose of this measure is to enable the Commissioner of Financial Institutions to more effectively regulate, supervise, and examine the money transmitters industry by, among other things:

- (1) Authorizing the Commissioner to require money transmitter licensees to register with the National Mortgage Licensing System (NMLS);

- (2) Creating a process for licensees to voluntarily surrender their licenses;
- (3) Increasing the amounts of the surety bonds required of licensees;
- (4) Authorizing the Commissioner to enter into agreements with NMLS with regard to regulation of the money transmitter industry;
- (5) Increasing the application, initial license, name change, and change of control fees for licensees;
- (6) Establishing a schedule of renewal fees for money transmitter licenses based upon the number of a licensee's annualized money transmissions;
- (7) Increasing the penalty amount that can be assessed per day of noncompliance with the licensing parameters; and
- (8) Providing for background checks of money transmitter licensees.

The Department of Commerce and Consumer Affairs testified in support of this measure.

Your Committee notes the importance of this measure because world terrorists have used unregulated money transmitters to transfer funds. Additionally, the proposed bond increase amount to \$10,000 for the initial twelve months of licensure is necessary to adequately protect consumers. Based on the testimony, the new fee schedule would result in lower fees for licensees with fewer than 50,000 transmissions by shifting increases to licensees with 100,000 transmissions or more, who are often offshore or internet based and pay the minimum renewal fee under the current fee structure. Further, an increase in renewal fees for licensure would have a minimal impact on transmission costs because the fee increase for money transmitters would be spread across tens of millions of dollars in transmissions.

Therefore, your Committee has amended this measure by:

- (1) Changing the renewal of license fees based on the number of annualized money transmissions. Specifically, the renewal fees were changed to:
 - (A) \$3,000 for licensees with fewer than 5,000 money transmissions;
 - (B) \$5,000 for licensees with 5,000 or more but fewer than 50,000 money transmissions;
 - (C) \$16,000 for licensees with 100,000 or more but fewer than 200,000 money transmissions; and
 - (D) \$20,000 for licensees with 200,000 or more money transmissions; and
- (2) Changing its effective date to July 1, 2012, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1068, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1068, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.
(Representative McDermott voted no.)

SCRep. 1210 Health/Public Safety on S.B. No. 1141

The purpose of this measure is to implement statutory changes recommended by the Governor's special action team commissioned to address the population rate at the Hawaii State Hospital by:

- (1) Requiring public agencies with a defendant's medical, mental health, social, police, and juvenile records to release information to the court when the defendant is ordered to submit to a forensic mental health examination in order to expedite the process; and
- (2) Amending penal code provisions to establish limits to the length of time an individual may remain on conditional relief for certain criminal charges and to clarify circumstances under which the conditional release may be tolled.

The Department of Health, Community Alliance for Mental Health, United Self Help, and Hawaii Disability Rights Center testified in support of this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu and County of Hawaii Police Department testified in opposition to this measure. The Judiciary and the Department of the Attorney General provided comments.

Your Committees note concerns expressed by the Department of the Prosecuting Attorney that an individual charged with a misdemeanor, petty misdemeanor, or violation granted a one-year maximum conditional release as provided in this bill may still be affected by a physical or mental condition and be dangerous to self or others at the end of that period. Your Committees respectfully request the Committee on Judiciary to consider these concerns.

Your Committees have amended this measure by:

- (1) Clarifying that the tolling provisions apply only to defendants charged with petty misdemeanors, misdemeanors, or violations;
- (2) Specifying that the period of conditional release shall be tolled during a period of forensic hospitalization and during the pendency of a motion to revoke conditional release;

- (3) Requiring the Department of Health to submit a report prior to the 2015 Legislative Session detailing the number, frequency, and types of criminal offenses and violations committed by defendants discharged from conditional release during the period beginning with the commencement of the 2013 Legislative Session through the end of 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1141, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1141, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Jordan, Yamane and McDermott.

SCRep. 1211 Health on S.B. No. 1073

The purpose of this measure is to establish regulations regarding the licensing of dental insurers to assist in the implementation of the Affordable Care Act.

Specifically, the measure establishes:

- (1) Licensing and regulatory requirements;
- (2) Financial and solvency requirements;
- (3) Reporting and audit requirements; and
- (4) Insurance coverage, benefits disclosure, and enrollment requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure. Hawaii Dental Association opposed this measure.

Your Committee has amended this measure by:

- (1) Changing the nomenclature used throughout this measure to specify that the regulations established apply to "dental service corporations" instead of "dental insurers";
- (2) Restricting the definition of "provider" to include only those persons licensed to practice dentistry as defined in section 448-1, Hawaii Revised Statutes, to prevent unlicensed persons from providing dental care services;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1073, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1073, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1212 Health/Public Safety on S.B. No. 310

The purpose of this measure is to address the high rate of incarceration and hospitalization of persons with severe mental illness by establishing an assisted community treatment program to enable these individuals to obtain assisted community treatment that will be beneficial to the person as the least restrictive alternative.

The State Council on Mental Health; Governor's Coordinator on Homelessness; Chair of the Hawaii Interagency Council on Homelessness; City and County of Honolulu Department of Community Services; City and County of Honolulu Council Member, District 6; National Alliance on Mental Illness, Hawaii State Chapter; Hawaii Catholic Conference; Diamond Head Club House; Catholic Charities Hawaii; Hawaii Substance Abuse Coalition; PHOCUSED; The Institute for Human Services, Inc.; Mental Health Kokua; and numerous individuals supported this measure. The Department of Health, Honolulu Police Department, Hawaii Disability Rights Center, and American Civil Liberties Union of Hawaii opposed this measure. The Department of the Attorney General, Community Alliance for Mental Health, and United Self Help submitted comments.

Your Committees note that numerous concerns were raised by the Attorney General and that a number of these concerns were legal in nature. Therefore, your Committees respectfully request the Committee on Judiciary to review the concerns of the Attorney General should the Committee on Judiciary choose to hear this measure.

Your Committees have amended this measure by:

- (1) Adding a savings clause;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 310, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 310, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Jordan, Yamane and McDermott.

SCRep. 1213 Health on S.B. No. 933

The purpose of this measure is to ensure the availability of high-quality, low-cost health care services to members of the uniformed services and their families. Specifically, this bill extends the state general excise tax exclusion for amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third-party health care providers, pursuant to a contract with the United States for the administration of the TRICARE program.

The Military Officers Association of America-Hawaii Chapter and United Health Care testified in support of this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by making:

- (1) Permanent, the extension of the state general excise tax exclusion for amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third-party health care providers, pursuant to a contract with the United States for the administration of the TRICARE program; and
- (2) Technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 933, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 933, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1214 Health on S.B. No. 666

The purpose of this measure, as received by your Committee, is to enable patients and their family members to recognize and exercise their rights to secure appropriate and available emergency medical care by establishing an emergency services patient advocate program to provide assistance to and advocate on behalf of patients receiving emergency medical care.

The Community Alliance for Mental Health, United Self Help, and several individuals supported this measure. The Department of Health supported the intent of this measure. The Healthcare Association of Hawaii and Kaiser Permanente Hawaii opposed this measure.

Upon consideration, your Committee has amended this measure by instead establishing a task force to:

- (1) Assess the scope and feasibility of establishing an emergency services patient advocate program to provide assistance to and advocate on behalf of patients receiving emergency medical care; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014.

Your Committee respectfully requests the Committee on Finance to consider and determine the composition of the three community-patient members, appointed by the Director of Health, to serve on the task force.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 666, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 666, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1215 Health on S.B. No. 642

The purpose of this measure as received by your Committee is to reduce the number of children and teens in Hawaii who smoke by requiring cigarettes and tobacco products to be stored for sale behind a counter in an area accessible only to the personnel of the business.

Your Committee held a public hearing and received testimony on this measure as it was received by your Committee.

The Department of Health, Coalition for a Tobacco-Free Hawaii, Community Alliance on Prisons, American Cancer Society Cancer Action Network, and numerous individuals supported this measure. The Department of the Attorney General, ABC Stores, SWAM, and numerous individuals opposed this measure. Kauai Cigar Company, Hawaii Cigar Association, and several individuals commented on this measure.

For purposes of facilitating public input on this measure, your Committee gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committee:

- (1) Amends the provisions of S.B. No. 642 to require that cigarettes and tobacco products be sold, offered for sale, or displayed only in a direct, face-to-face exchange between the retailer and the consumer; and
- (2) Inserts the contents of H.B. No. 667, H.D. 2, which amends the Medical Use of Marijuana Law, and was passed out of this Committee, your Committee on Judiciary, and this Chamber, and
 - (a) Permits the transfer of no more than the adequate supply amount of marijuana among registered patients and caregivers;
 - (b) Defines permitted conduct of a qualifying patient licensed or registered in another jurisdiction and temporarily present in this State;
 - (c) Amends the allowable adequate supply amount to include up to seven plants in any state of maturity and up to five ounces of useable marijuana;
 - (d) Amends requirements for a registered primary caregiver; and
 - (e) Transfers certain functions regarding the issuance of certification, registration, and maintenance of registry information from the Department of Public Safety to the Department of Health and specifies certain registration requirements.

Your Committee received testimony on the proposed draft. The Department of Public Safety, City and County of Honolulu Department of the Prosecuting Attorney, Honolulu Police Department, Maui Police Department, Hawaii Police Department, and several individuals opposed this measure. The Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, American Civil Liberties Union of Hawaii, Drug Policy Action Group, and an individual commented on this measure.

Upon consideration of this measure in the form in which it was received and in the form of the proposed draft, your Committee has adopted the proposed draft and has further amended it by:

- (1) Including a provision that specifies that there shall be no more than 28 marijuana plants located at a single property as defined by a single Tax Map Key;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 642, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 642, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1216 Health on S.B. No. 548

The purpose of this measure is to enhance accessibility to medical services for members of the armed services in Hawaii by exempting from the licensing requirement to practice medicine or surgery in the State, any commissioned medical officer employed by the United States Department of Defense and credentialed by Tripler Army Medical Center, while providing direct telemedicine support or services to Neighbor Island beneficiaries within a Hawaii National Guard armory on the island of Hawaii, Kauai, Maui, or Molokai.

The Department of Hawaii Veterans of Foreign Wars of the United States and Maui County Veterans Council supported this measure. The Department of Commerce and Consumer Affairs, Hawaii Medical Association, and Hawaii Medical Board submitted comments.

It is your Committee's understanding that there are jurisdictional questions with regard to National Guard armories. If the National Guard armories are under federal jurisdiction, the health professionals are able to practice under any state's licensure, including Hawaii, and this legislation will not be necessary. However, if the armories are under state jurisdiction, this bill exempts the health professionals from Hawaii's professional licensure requirements. Therefore, your Committee respectfully requests the Committee on Consumer Protection and Commerce to seek clarification as to whether the National Guard armories fall under state or federal jurisdiction and the jurisdictional impact on Hawaii's licensure requirements.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 548, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1217 Health on S.B. No. 1138

The purpose of this measure is to authorize the Department of Health to establish by rule:

- (A) A list of specific vaccines which are available or may become available; and
- (B) The immunization recommendations of the United States Department of Health and Human Services, Advisory Committee on Immunization Practices, including interim recommendations, as they apply to the list of specific vaccines for use as school enrollment prerequisites and in the larger public health context.

The Department of Health, Hawaii Medical Association, Kaiser Permanente Hawaii, Walgreens, and an individual supported this measure. An individual opposed this measure.

Your Committee notes that this measure is similar to H.B. No. 907, which was previously considered and passed by this Committee and your House Committee on Judiciary.

Upon consideration, your Committee has amended this measure by:

- (1) Including a purpose section setting forth the purpose of this measure;
- (2) Removing the requirement for publication of notice of changes to rules relating to federal vaccination recommendations in a newspaper of general circulation;
- (3) Deleting redundant provisions relating to the administration of vaccines and the effect of rules; and
- (4) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1138, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1138, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1218 Health/Higher Education on S.B. No. 492

The purpose of this measure is to impose taxes on tobacco products, other than large cigars, at a rate similar to those imposed on cigarettes by:

- (1) Imposing an excise tax equal to an unspecified percent of the wholesale price of each article or item of tobacco products, other than large cigars, sold or used by a wholesaler or dealer on and after January 1, 2014; and
- (2) Directing that the additional moneys collected under the excise tax be deposited to the credit of the Hawaii Cancer Research Special Fund.

The University of Hawaii Cancer Center, Coalition for a Tobacco Free Hawaii, American Cancer Society Cancer Action Network, and an individual supported this measure. The Department of Health supported this measure with amendments. The Department of Taxation supported the intent of this bill. The Cigar Association of America, Inc.; RAI Services Company; Ley's Roll Hawaii Kokea; and several individuals opposed this measure. The Tax Foundation of Hawaii submitted comments.

Your Committees have amended this measure by:

- (1) Changing the imposition of the excise tax on tobacco products to a rate of \$3.20 per net ounce of tobacco, based on the manufacturer's listed net weight, for each article or item of tobacco products, other than large cigars, sold by a wholesaler or dealer on or after January 1, 2014;
- (2) Defining "manufacturer's listed net weight";
- (3) Changing the allocation of monies generated by the increased excise tax to the following:
 - (A) 12 percent to the Hawaii Cancer Research Special Fund;
 - (B) 9 percent to the Trauma System Special Fund;
 - (C) 8 percent to the Community Health Centers Special Fund;
 - (D) 8 percent to the Emergency Medical Services Special Fund,
 with the remainder going into the general fund; and
- (4) Changing its effective date to July 1, 2013.

As affirmed by the records of votes of the members of your Committees on Health and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 492, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 492, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Hanohano, Jordan and Takumi.
(Representative Fale voted no.)

SCRep. 1219 Housing/Public Safety on S.B. No. 312

The purpose of this measure is to authorize the Hawaii Public Housing Authority to arrange or enter into agreements with the Department of Public Safety to provide security to the residents, staff, buildings, and lands of the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority and an individual supported this measure. The Department of Public Safety supported the intent of this measure. The Community Alliance for Mental Health and United Self Help opposed this bill.

Your Committees note that this bill will provide greater flexibility to the Hawaii Public Housing Authority in ensuring the security of its residents, staff, and properties by allowing the Hawaii Public Housing Authority to obtain the aid and cooperation of the Department of Public Safety's Sheriff Division for its security needs.

Upon consideration, your Committees have amended this measure by broadening the allowable reimbursement of costs incurred by the Department of Public Safety's Sheriff Division to include reimbursement for the procurement of vehicles.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 312, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 312, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Ichiyama, Jordan, Takumi, Yamane and McDermott.
(Representative Cheape voted no.)

SCRep. 1220 Agriculture/Water & Land on S.B. No. 753

The purpose of this measure is to authorize the Department of Agriculture (DOA) to lease or otherwise dispose of lands to the Agribusiness Development Corporation (ADC) to effectuate the purposes of the agribusiness development program in directing agricultural industry evolution.

The Department of Agriculture, Agribusiness Development Corporation, Environmental Caucus of the Democratic Party of Hawaii, and one concerned individual testified in support of this measure. Na Koa Ikaika; Hawaii's Thousand Friends; Kauai Island Vacations, Inc.; Babes Against Biotech; Waimanalo Ahupuaa; Puna Pono Alliance; Ho'okipa Network-Kauai, and numerous concerned individuals testified in opposition to this measure. Occupy Monsanto Maui offered comments.

Your Committees note concern that this measure should be narrowed further to limit ADC's use of public lands leased from DOA to organic and natural food farming, however, for interests of efficiency your Committees have passed this bill to the Committee on Finance without addressing this issue.

Your Committees have amended this measure by:

- (1) Limiting the purposes for which ADC can use lands leased through DOA to the production of food and the development of organic livestock feed;
- (2) Authorizing the establishment of a Food Production and Organic Livestock Feed Development Mobilization Program under ADC to encourage the production of food and the development of organic livestock feed in the agricultural industry by authorizing ADC to lease lands from the DOA for such purposes;
- (3) Authorizing the High Technology Development Corporation to assist ADC with implementing technological innovations for improved organic food and organic livestock feed crop cultivation;
- (4) Removing references to the "disposition" or "disposal" of public non-agricultural park lands by DOA, and characterizing the DOA's action, instead, as "land transactions";
- (5) Clarifying that, with specified exceptions, the DOA shall engage in land transactions involving public land by lease only;
- (6) Removing language stating that ADC is "exempt" from the standard DOA public land lease qualification requirements and clarifying that, instead, such requirements shall not apply to ADC;
- (7) Deleting an unnecessary provision that stated that ADC shall not sell certain public land to which it does not hold the required title that would permit sale; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 753, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 753, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy, Lee and Tokioka.
(Representatives Thielen and Ward voted no.)

SCRep. 1221 Transportation/Water & Land on S.B. No. 1171

The purpose of this measure is to protect Hawaii's historical and cultural heritage while providing flexibility in review of construction projects by:

- (1) Authorizing the phased review of projects by the Department of Land and Natural Resources' State Historic Preservation Division to ensure consistency between state and federal law; and
- (2) Deleting language that provided the Governor with the option to request the Hawaii Advisory Council on Historical Preservation to report an action to overrule or sustain a department when an agency, officer, or other person is dissatisfied with a decision of the Hawaii Historic Places Review Board.

The Department of Land and Natural Resources; Department of Transportation; Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; Department of Agriculture; Department of Education; Department of Hawaiian Home Lands; Office of Planning; County of Maui; County of Hawai'i Planning Department; Building Industry Association of Hawaii; Hawai'i Construction Alliance; The Chamber of Commerce of Hawaii; The Pacific Resource Partnership; West Maui Taxpayers Association; Hawaii Laborers Employers Cooperation and Education Trust; General Contractors Association of Hawaii; Hawaii Regional Council of Carpenters; Masons Union Local 1 and 630; Universal Construction, Inc.; Complete Construction Services Corp.; Kapolei Chamber of Commerce; and two concerned individuals supported this measure. The Office of Hawaiian Affairs; Historic Hawai'i Foundation; Hawaii's Thousand Friends; Society for Hawaiian Archaeology; International Archaeological Research Institute, Inc.; Kaimipono Consulting Services LLC; Na Kupuna Moku O Keawe; Sierra Club, Hawaii Chapter; League of Women Voters of Honolulu; Native Hawaiian Legal Corporation; and numerous concerned individuals opposed this measure.

Your Committees have amended this measure by:

- (1) Requiring a programmatic agreement to be in place between the Department of Land and Natural Resources and the project applicant that identifies each phase and the estimated timelines for each phase where there is a phased review of the project;
- (2) Inserting a definition for "programmatic agreement" under Chapter 6E, Hawaii Revised Statutes, relating to historic preservation;
- (3) Requiring the Department of Land and Natural Resources to adopt administrative rules regarding the phased review of proposed projects; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1171, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1171, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.
(Representative Thielen voted no.)

SCRep. 1222 Judiciary on S.B. No. 1135

The purpose of this measure is to expand the scope and increase the effectiveness of the State's Electronic Waste Recycling Program by:

- (1) Establishing recycling goals and recordkeeping and reporting requirements for electronic device manufacturers and representative organizations;
- (2) Establishing registration, recordkeeping, reporting, and collection requirements for collectors of covered electronic devices;
- (3) Establishing audit authority of the Department of Health, agents of the Department of Health, and the Office of the Auditor regarding records of manufacturers, collectors, and recyclers;
- (4) Eliminating the television recovery system component of the Electronic Waste Recycling Program, incorporating television recovery into the electronic device recovery provisions of the Program, and making conforming amendments;
- (5) Allowing counties to determine whether to include covered electronic devices in their waste management activities or recycling programs, and providing for reimbursement by manufacturers to the counties for collection costs;
- (6) Requiring the Department of Health to adopt rules to effectuate the intent of the State's Electronic Waste Recycling Act and authorizing the Department to adopt rules to refine the definitions of "covered electronic device," "electric device," and "peripheral" as the Department determines is necessary;
- (7) Increasing the scope of what is considered a "covered electronic device" by replacing references to computer and computer components with electronic equipment intended for use by consumers and businesses, such as televisions and computers and their peripherals;
- (8) Clarifying what is not considered a "covered electronic device";
- (9) Clarifying that an electronic device manufacturer does not include a person who:
 - (A) Refurbishes, repairs, or reuses damaged or used covered electronic devices; or
 - (B) Manufactures no more than 100 covered electronic devices per year;
- (10) Changing the commencement date of labeling, registration, and filing requirements applicable to the sale of new covered electronic devices for delivery in the State;
- (11) Clarifying the Department of Health's responsibility in maintaining a list of registered electronic device manufacturers and representative organizations and their registered brands, and requiring the Department to post the list on its website;
- (12) Rather than specifying registration and renewal fee amounts, providing for fee amounts to be determined by the Department of Health by rule based upon an analysis of the Department's needs and the number of electronic device manufacturers registering with the Department;

- (13) Authorizing electronic device manufacturers to develop their own recycling programs provided that certain deadlines and other requirements are met, and clarifying the qualifying requirements for recycling plans developed by electronic device manufacturers and representative organizations; and
- (14) Enhancing the enforcement of the Electronic Waste Recycling Program by, among other things, addressing violations through a citation and administrative hearing process.

The Department of Health, County of Kauai Department of Public Works, City and County of Honolulu Department of Environmental Services, Ulupono Initiative, Zero Waste Kauai, Eycling (Maui County Electronics Recycling), Recycle Hawaii, and several concerned individuals supported this measure. The Technology Association of America, Custom Electronic Design and Installation Association, Retail Merchants of Hawaii, and Verizon opposed this measure. Makita U.S.A., Inc.; Stanley Black and Decker, Inc.; Robert Bosch Tool Corporation; Techtronic Industries Company; and Consumer Electronics Association offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1135, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Carroll, Har, Ito, Kawakami, Tsuji and McDermott voted no.)

SCRep. 1223 Judiciary on S.B. No. 870

The purpose of this measure is to place limitations on the parental discipline defense while preserving a parent's general right to safeguard and promote the welfare of a child through using disciplinary force by:

- (1) Establishing a rebuttable presumption that the use of specific types of force is unjustifiable; and
- (2) Expanding the state of mind element required to establish that the force used is justified to require that the force used does not intentionally, knowingly, recklessly, or negligently create a risk of causing substantial bodily injury, disfigurement, extreme pain or mental distress, or neurological damage.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kauai, IMUAlliance, and two concerned individuals testified in support of this measure. The Office of the Public Defender testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Removing striking on the face as one of the types of force to be presumed unjustifiable;
- (2) Changing the effective date to July 1, 2013; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 870, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 870, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Lee and McDermott.

SCRep. 1224 Tourism on H.R. No. 8

The purpose of this measure is to ensure stability to county finances and enable counties to improve budgeting and planning by urging the Governor and Legislature to preserve the counties' share of the transient accommodations tax.

The Mayor of the City and County of Honolulu, President of the Hawaii State Association of Counties, a councilmember of the Maui County Council representing East Maui, a councilmember of the Kauai County Council, the council chairperson of the Kauai County Council, a councilmember of the Hawaii County Council representing District 3, and the treasurer of the Hawaii State Association of Counties supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 8 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1225 Tourism on H.C.R. No. 7

The purpose of this measure is to ensure stability to county finances and enable counties to improve budgeting and planning by urging the Governor and Legislature to preserve the counties' share of the transient accommodations tax.

The Mayor of the City and County of Honolulu, President of the Hawaii State Association of Counties, a councilmember of the Maui County Council representing East Maui, a councilmember of the Kauai County Council, the council chairperson of the Kauai County Council, a councilmember of the Hawaii County Council representing District 3, and the treasurer of the Hawaii State Association of Counties supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 7 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1226 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 27

The purpose of this measure is to authorize the issuance of an easement relating to state submerged lands.

Specifically, this measure, pursuant to section 171-53, Hawaii Revised Statutes, authorizes the Department of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key (1) 4-7-024: seaward of 022, Kaalaea, Koolaupoko, Oahu, for the maintenance and repair of the existing seawall, and for the use, maintenance, and repair of the existing improvements constructed thereon.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources.

At its meeting on September 14, 2012, the Board of Land and Natural Resources approved the grant of a fifty-five-year nonexclusive easement to resolve the encroachment on state submerged lands of a seawall at Kaalaea, Koolaupoko, Oahu. Your Committees find that this measure satisfies the requirements of section 171-53, Hawaii Revised Statutes, which requires the prior authorization of the Legislature by concurrent resolution to lease state submerged lands.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 27 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1227 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 28

The purpose of this measure is to authorize the issuance of an easement relating to state submerged lands.

Specifically, this measure, pursuant to section 171-53, Hawaii Revised Statutes, authorizes the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 4-4-037: seaward of 033, Kaneohe, Koolaupoko, Oahu, for the maintenance and repair of the existing pier, seawall, and landscaping area, and for the use, maintenance, and repair of the existing improvements constructed thereon.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources.

At its meeting on July 27, 2012, the Board of Land and Natural Resources approved the grant of a fifty-five-year nonexclusive easement to resolve the encroachment on state submerged lands of a pier, seawall, and landscaped area at Kaneohe, Koolaupoko, Oahu. Your Committees find that this measure satisfies the requirements of section 171-53, Hawaii Revised Statutes, which requires the prior authorization of the Legislature by concurrent resolution to lease state submerged lands.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 28 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1228 Economic Development & Business on H.C.R. No. 47

The purpose of this measure is to address the problems that are prevalent in government contracts with nonprofit organizations, particularly those involved in human services, by extending the Government Contracting Task Force to report on, and finalize recommendations for, streamlining the process so that nonprofits can more efficiently receive payment for the delivery of pivotal goods and services to individuals, families, communities, and other small businesses.

The Hawaii Alliance of Nonprofit Organizations testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 47 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1229 Human Services on S.B. No. 54

The purpose of this measure is to honor individuals serving with the Policy Advisory Board for Elder Affairs by allowing the Board to recommend to the governor to honor a non ex officio member by awarding lifetime membership, which includes all the rights and privileges of a non-ex officio member.

The County of Hawaii Office of Aging testified in support of this measure.

Your Committee finds that the purpose and intent of this measure is to honor respected members of the elderly community who have served on the Policy Advisory Board for Elder Affairs. The measure, as drafted, granted irrevocable privileges to a board member. Because this may have constitutional concerns, to effectuate the purpose of this measure, your Committee has amended this measure by:

- (1) Instead of granting lifetime membership, authorizing the Board to award the "lifetime honorary kupuna" title to a member by a meeting called for that purpose and attended by a quorum;
- (2) Requiring the Governor to take a member's "lifetime honorary kupuna" title into consideration when considering the reappointment of that member to the Board;
- (3) Clarifying that the Governor may reappoint the member who holds the "lifetime honorary kupuna" title to continued terms over the member's lifetime; and
- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 54, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 54, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1230 Judiciary on S.B. No. 442

The purpose of this measure is to curtail underage drinking by:

- (1) Requiring a reckless rather than a knowing state of mind for the misdemeanor crime of promoting intoxicating liquor to a person under the age of 21; and
- (2) Providing that any liquor licensee or employee who sells, serves, or furnishes liquor to a minor or allows a minor to consume liquor shall be guilty of promoting intoxicating liquor to a person under the age of 21.

Your Committee received testimony in support of this measure from the Honolulu Police Department. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and the Libertarian Party of Hawaii. The Department of the Prosecuting Attorney of the County of Maui and the Department of Liquor Control of the County of Maui submitted comments.

Your Committee notes that discussions between the various proponents of this measure found the conforming amendment made to section 281-78, Hawaii Revised Statutes, unnecessary to effectuate the intent of this measure. Therefore, your Committee has amended this measure by:

- (1) Deleting the conforming amendment to section 281-78, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 442, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 442, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1231 Judiciary on S.B. No. 2

The purpose of this measure is to include the use of a simulated firearm in the offenses of terroristic threatening in the first degree and robbery in the first degree.

The Department of the Prosecuting Attorney of the City and County of Honolulu and the Honolulu Police Department supported this measure. The Office of the Public Defender opposed this measure. The Hawaii Rifle Association submitted comments.

Your Committee has amended this measure by:

- (1) Expanding the definition of a "simulated firearm" to include any object that substantially resembles a firearm, can reasonably be perceived as a firearm, or is used or brandished as a firearm; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.
(Representative McDermott voted no.)

SCRep. 1232 Judiciary on S.B. No. 30

The purpose of this measure is to improve the administration of the Partial Public Financing Program by:

- (1) Requiring the affidavit of any candidate who voluntarily agrees to limit the candidate's expenditures to be filed no later than the time of filing nomination papers; and
- (2) Setting the maximum expenditure limits for a candidate who voluntarily agrees to limit campaign spending for the office of prosecuting attorney.

The Campaign Spending Commission testified in support of this measure.

Your Committee has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 30, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 30, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1233 Judiciary on S.B. No. 192

The purpose of this measure is to discourage prostitution by:

- (1) Establishing the offense of solicitation of a minor for prostitution as a class C felony;
- (2) Increasing the statute of limitation to bring a cause of action for coercion into prostitution from two to six years;
- (3) Clarifying the minimum and maximum fines for a person convicted of prostitution;
- (4) Adding the offenses of solicitation of a minor for prostitution, habitual solicitation of prostitution, and solicitation of prostitution near schools or public parks to the covered offenses for which property may be seized under the State's forfeiture laws; and
- (5) Amending the definition of "sexual offense" under the sexual offender registry laws to include acts that consist of the solicitation of a minor for prostitution.

The Department of the Prosecuting Attorney of the City and County of Honolulu; Honolulu Police Department; Pacific Alliance to Stop Slavery; Sex Abuse Treatment Center; Downtown Neighborhood Board No. 13; Hawaii Catholic Conference; Hawaii Family Forum, Courage House Hawaii; Tahirih Association; and numerous individuals testified in support of this measure. The Office of the Public Defender testified in opposition to this bill. IMUAlliance and several concerned citizens submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the offense of solicitation of a minor for prostitution is applicable to adult perpetrators only;
- (2) Deleting language establishing mandatory fines for those convicted of the offense of solicitation of a minor for prostitution;
- (3) Deleting language that would have extended the statute of limitation for claims brought for coercion into prostitution from two years to six years;
- (4) Removing language specifying minimum or maximum fines for persons convicted of prostitution;
- (5) Clarifying that the offense of solicitation of a minor for prostitution is a tier one offense under the sex offender registry laws which allows a person subject to the registration requirements for this offense to petition to be removed from the registry after ten years; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 192, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 192, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1234 Judiciary on S.B. No. 853

The purpose of this measure is to expand the duties of the Elections Commission to include providing oversight of the Chief Election Officer.

The League of Women Voters of Hawaii and Common Cause Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Elections Commission conduct a performance evaluation of the Chief Election Officer every six months rather than after each election; and
- (2) Removing the requirement that the Elections Commission submit a written report to the Legislature within 90 days of the certification of election results.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 853, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 853, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1235 Judiciary/Consumer Protection & Commerce on S.B. No. 32

The purpose of this measure is to establish certain uniform requirements and standards in the event that specified government agencies publish specified legal materials solely in electronic form.

The Judiciary, Commission to Promote Uniform Legislation, and a concerned individual supported this measure. The Disability and Communication Access Board offered comments on this measure.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 32 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Har and Ito.

SCRep. 1236 Judiciary on S.B. No. 31

The purpose of this measure is to clarify the information and deadlines for noncandidate committee reports by, among other things:

- (1) Specifying that both contributions received and made by noncandidate committees and for independent expenditures, the identity of the candidate supported or opposed by the expenditure should be disclosed in the preliminary, final, and supplemental noncandidate committee reports; and
- (2) Requiring that the January noncandidate committee supplemental reports be filed annually.

The Campaign Spending Commission and League of Women Voters of Hawaii testified in support of this measure.

Your Committee has amended this measure by making the effective date January 1, 2100, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 31, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 31, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla and Wooley.

SCRep. 1237 Judiciary on S.B. No. 194

The purpose of this measure is to exclude from eligibility for a deferred acceptance of guilty plea:

- (1) Petty misdemeanor offenses if the defendant has been previously granted a deferred acceptance of guilty plea for any prior offense and the term of deferral has not yet expired; and
- (2) Prostitution, where the defendant is the soliciting party; street solicitation of prostitution; solicitation of prostitution near schools or public parks; or habitual solicitation of prostitution.

The Pacific Alliance to Stop Slavery, Tahiri Association, Courage House Hawaii, and numerous individuals supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Public Defender, and IMUAlliance offered comments on the measure.

Your Committee has amended this measure by:

- (1) Deleting the exclusion for petty misdemeanor offenses if the defendant has been previously granted a deferred acceptance of guilty plea for any prior offense and the term of deferral has not yet expired; and
- (2) Making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 194, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 194, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1238 Judiciary on S.B. No. 966

The purpose of this measure is to help reduce unnecessary litigation in the State and encourage alternative means of dispute resolution by adopting the Uniform Mediation Act.

The Mediation Center of the Pacific, Inc.; Mediation Centers of Hawaii; Honolulu Board of REALTORS; Hawai'i Association of REALTORS; and Hawaii's Uniform Law Commissioners supported this measure. The Chair of the Family Law Section of the Hawaii State Bar Association and a concerned individual opposed this measure. The Judiciary and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Inserting definitions for "international commercial mediation" and "model law";
- (2) Specifying that mediation, as defined in the measure, does not include hooponopono, ifoga, or other similar traditional or customary dispute resolution practices;
- (3) Specifying an exception to a mediator's authority to disclose a mediation communication evidencing abuse, neglect, abandonment, or exploitation of an individual to a public agency responsible for protecting individuals against such mistreatment;
- (4) Specifying that a report, assessment, evaluation, recommendation, or finding, in addition to other communications, made in violation of the prohibition on certain mediator reports may not be considered by a court, administrative agency, or arbitrator; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 966, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 966, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.
(Representative Thielen voted no.)

SCRep. 1239 Consumer Protection & Commerce on S.B. No. 502

The purpose of this measure is to require that real property transactions involving condominium projects, cooperative housing corporations, and other community associations follow a uniform standard of document disclosure.

Specifically, this measure:

- (1) Requires sellers of residential real property subject to recorded declaration to disclose the articles of incorporation, bylaws, organizational documents, rules, and documentation of restrictions or conditions on use of the real property;
- (2) Provides a deadline for the disclosure of the required documents; and
- (3) Authorizes sellers to disclose documents electronically, upon the buyer's consent.

The Hawaii Association of Realtors submitted testimony in support of this measure.

Your Committee finds that establishing a uniform standard of document disclosure for sales of real property involving condominiums, cooperative housing corporations, and community associations will benefit buyers, sellers, and realtors by clarifying which documents and information must be disclosed during sales of real property subject to a recorded declaration. Your Committee also finds that authorizing electronic disclosure of documents will increase efficiency in planned community transactions.

Your Committee has amended this measure by making it effective upon approval and applicable to contracts or agreements entered into on or after May 1, 2014.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 502, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 502, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Har.

SCRep. 1240 Consumer Protection & Commerce on S.B. No. 341

The purpose of this measure is to establish the Disposition of Remains Act.

Specifically, this measure establishes:

- (1) A priority list of persons authorized to control the disposition of a decedent's remains, and the location, manner, and conditions of the disposition; and
- (2) Procedures for the resolution of disputes regarding the right of disposition;

- (3) The right of a funeral establishment, cemetery, mortuary, or crematory to rely and act upon written instructions in a funeral service agreement or similar document; and
- (4) Provisions for the disposition of a decedent's remains and recovery of reasonable expenses by a funeral director or manager of a funeral establishment, cemetery, mortuary, or crematory.

Your Committee received testimony in support of this measure from the Hawaii Association for Justice; Hawaii Funeral and Cemetery Association, Inc.; Hosoi Garden Mortuary, Inc.; Leeward Funeral Home; Hawaiian Memorial Life Plan; Mililani Group, Inc.; and one individual.

Your Committee finds that forty-eight states have enacted laws that specify the priority of persons who may control the disposition of a decedent's remains or the arrangements for funeral goods and services. Your Committee believes that, by establishing a priority list of persons able to control the disposition of a decedent's remains, this measure will minimize disputes and allow funeral establishments, cemeteries, mortuaries, and crematories to take direction from the appropriate person, thus enabling the prompt provision of needed services.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 341, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Carroll, Har, Tsuji and McDermott.

SCRep. 1241 Water & Land on S.B. No. 995

The purpose of this measure is to recognize the increased responsibilities and size of the Agricultural Resource Management Division of the Department of Agriculture by changing the position title of the Engineering Program Manager to the Engineering Program Administrator.

The Department of Agriculture and Hawaii Farm Bureau Federation testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 995, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 995, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Lee.

SCRep. 1242 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 22

The purpose of this measure is to continue to promote Hawaii's long relationship with China as well as improve Hawaii's economy and encourage travel to the United States from China by urging the United States Department of State, the Department of Homeland Security, and the United States Attorney General to ease visa restrictions for individuals from the People's Republic of China.

The Hawaii State Association of Counties, Councilmember of the Hawaii County Council representing District 3, Treasurer of the Hawaii State Association of Counties, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 22 and recommends that it be referred to the Committee on Tourism.

Signed by all members of the Committee.

SCRep. 1243 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 8

The purpose of this measure is to continue to promote Hawaii's long relationship with China as well as improve Hawaii's economy and encourage travel to the United States from China by urging the United States Department of State, the Department of Homeland Security, and the United States Attorney General to ease visa restrictions for individuals from the People's Republic of China.

The Hawaii State Association of Counties, Councilmember of the Hawaii County Council representing District 3, Treasurer of the Hawaii State Association of Counties, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 8 and recommends that it be referred to the Committee on Tourism.

Signed by all members of the Committee.

SCRep. 1244 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 109

The purpose of this measure is to request the Board of Education to create a coalition to address the issue of developing grade-specific assessments required by the No Child Left Behind Act of 2001 in the Hawaiian language for use by Hawaiian language immersion students to more accurately measure their academic achievement.

Kamehameha Schools and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 109 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representative Lee.

SCRep. 1245 Economic Development & Business on H.R. No. 26

The purpose of this measure is to promote energy sustainability by requesting that the Department of Taxation, in cooperation with the Department of Business, Economic Development, and Tourism, conduct a study to determine the feasibility of a solar water heating system tax credit.

The Sierra Club, Hawaii Chapter and one concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 26 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1246 Economic Development & Business on H.C.R. No. 44

The purpose of this measure is to promote energy sustainability by requesting that the Department of Taxation, in cooperation with the Department of Business, Economic Development, and Tourism, conduct a study to determine the feasibility of a solar water heating system tax credit.

The Sierra Club, Hawaii Chapter and one concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 44 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1247 Economic Development & Business on H.C.R. No. 226

The purpose of this measure is to support efforts to secure funding to determine the feasibility of establishing a commercial space launch and control facility in Hawaii.

Former Governor George Ariyoshi and Launch for Future testified in support of this measure. The Department of Business, Economic Development, and Tourism offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 226 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1248 Economic Development & Business on H.R. No. 68

The purpose of this measure is to support parity in the video programming market by requesting a study to compare tax and franchise fee structures as applied to all providers of video programming services and for all methods of delivery of service.

The Department of Taxation; Department of Commerce and Consumer Affairs; Oceanic Time Warner Cable; DIRECTV; DISH NETWORK; the Satellite Broadcasting and Communications Association; and Tax Foundation of Hawaii offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 68 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1249 Economic Development & Business on H.C.R. No. 88

The purpose of this measure is to support parity in the video programming market by requesting a study to compare tax and franchise fee structures as applied to all providers of video programming services and for all methods of delivery of service.

The Department of Taxation; Department of Commerce and Consumer Affairs; Oceanic Time Warner Cable; DIRECTV; DISH NETWORK; the Satellite Broadcasting and Communications Association; and Tax Foundation of Hawaii offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 88 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 1250 Tourism on H.R. No. 144

The purpose of this measure is to fully realize the financial growth potential of the Hawaii Convention Center by requesting the Hawaii Tourism Authority to conduct a feasibility study on options to generate more revenue from the Hawaii Convention Center.

The Hawaii Tourism Authority offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 144 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy and Ward.

SCRep. 1251 Tourism on H.C.R. No. 179

The purpose of this measure is to fully realize the financial growth potential of the Hawaii Convention Center by requesting the Hawaii Tourism Authority to conduct a feasibility study on options to generate more revenue from the Hawaii Convention Center.

The Hawaii Tourism Authority offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 179 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy and Ward.

SCRep. 1252 Tourism on H.R. No. 70

The purpose of this measure is to expand Hawaii's tourism market by requesting the Hawaii Tourism Authority to cooperate with the Department of Health and Hawaii Visitors and Convention Bureau to improve marketing and visitor information strategies to attract travelers with disabilities to Hawaii, including by designating the month of October for a particular emphasis on awareness and marketing outreach.

The Disability and Communication Access Board and The Chamber of Commerce of Hawaii supported this measure with amendments. The Hawaii Tourism Authority supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing references to "disabled traveler" or similar terms to "traveler with a disability" or other people-first terms;
- (2) Adding the Director of Health and Executive Director of the Disability and Communication Access Board to the list of people who are to receive a certified copy of the resolution;
- (3) Adding language to include the establishment of disabled history awareness initiatives in Travelers with Disabilities Month awareness activities; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends that it be referred to the Committee on Health in the form attached hereto as H.R. No. 70, H.D. 1.

Signed by all members of the Committee except Representatives Choy and Ward.

SCRep. 1253 Higher Education on H.R. No. 30

The purpose of this measure The purpose of this measure is to encourage the development of a nationally recognized, championship men's volleyball team at the University of Hawaii at Hilo by requesting the Director of Intercollegiate Athletics to establish a University of Hawaii at Hilo men's volleyball task force to study the feasibility of establishing a University of Hawaii at Hilo men's volleyball team.

The University of Hawaii at Hilo, Chairman of the Special Committee for Men's Volleyball at the University of Hawaii at Hilo, and Director of Moku O Keawe Region of USA Volleyball supported this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 30 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1254 Higher Education on H.C.R. No. 48

The purpose of this measure is to encourage the development of a nationally recognized, championship men's volleyball team at the University of Hawaii at Hilo by requesting the Director of Intercollegiate Athletics to establish a University of Hawaii at Hilo men's volleyball task force to study the feasibility of establishing a University of Hawaii at Hilo men's volleyball team.

The University of Hawaii at Hilo, Chairman of the Special Committee for Men's Volleyball at the University of Hawaii at Hilo, and Director of Moku O Keawe Region of USA Volleyball supported this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 48 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1255 Higher Education on H.R. No. 80

The purpose of this measure is to protect students in the state by requesting the Auditor to conduct a study of the regulation of unaccredited degree granting institutions in the state, which are currently governed under Chapter 446E, Hawaii Revised Statutes (Chapter 446E).

The Office of Consumer Protection provided comments.

Your Committee finds that the advent of the internet and the ability to conduct courses of study online has resulted in a concomitant increase in the number of unaccredited degree granting institutions attempting to do business in Hawaii. The Department of Commerce and Consumer Affairs Office of Consumer Protection was given the authority under amendments to the original Chapter 446E to enforce provisions under sections 446E-3 and 446E-5, Hawaii Revised Statutes, as unfair or deceptive acts or practices.

Your Committee notes testimony, however, from the Office of Consumer Protection, that the current form of regulation has proven to be extremely time-consuming and labor-intensive. For example, the Office of Consumer Protection has initiated over 497 enforcement actions relating to Chapter 446E violations. As such, your Committee acknowledges the position of the Office of Consumer Protection that a study of this industry and alternative forms of regulation is appropriate.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE OFFICE OF THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF UNACCREDITED DEGREE GRANTING INSTITUTIONS IN THE STATE";
- (2) Requesting the Office of the Auditor to include proposed legislation in its report to the Legislature; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 80, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.R. No. 80, H.D. 1.

Signed by all members of the Committee except Representatives Aquino and Hanohano.

SCRep. 1256 Higher Education on H.C.R. No. 105

The purpose of this measure is to protect students in the state by requesting the Auditor to conduct a study of the regulation of unaccredited degree granting institutions in the state, which are currently governed under Chapter 446E, Hawaii Revised Statutes (Chapter 446E).

The Office of Consumer Protection provided comments.

Your Committee finds that the advent of the internet and the ability to conduct courses of study online has resulted in a concomitant increase in the number of unaccredited degree granting institutions attempting to do business in Hawaii. The Department of Commerce and Consumer Affairs Office of Consumer Protection was given the authority under amendments to the original Chapter 446E to enforce provisions under sections 446E-3 and 446E-5, Hawaii Revised Statutes, as unfair or deceptive acts or practices.

Your Committee notes testimony, however, from the Office of Consumer Protection, that the current form of regulation has proven to be extremely time-consuming and labor-intensive. For example, the Office of Consumer Protection has initiated over 497 enforcement actions relating to Chapter 446E violations. As such, your Committee acknowledges the position of the Office of Consumer Protection that a study of this industry and alternative forms of regulation is appropriate.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE OFFICE OF THE AUDITOR TO CONDUCT A SUNRISE REVIEW OF THE REGULATION OF UNACCREDITED DEGREE GRANTING INSTITUTIONS IN THE STATE";
- (2) Requesting the Office of the Auditor to include proposed legislation in its report to the Legislature; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 105, as amended herein, and recommends that it be referred to the Committee on Legislative Management in the form attached hereto as H.C.R. No. 105, H.D. 1.

Signed by all members of the Committee except Representatives Aquino and Hanohano.

SCRep. 1257 Labor & Public Employment/Higher Education on H.R. No. 85

The purpose of this measure is to support graduate students at the University of Hawaii by requesting the Auditor to, among other things:

- (1) Conduct a study on the potential effects of allowing graduate students of the University of Hawaii to unionize, which includes consideration of:
 - (A) Graduate student working conditions;
 - (B) Pay in relation to relevant cost of living and in comparison to graduate students at institutions where graduate students are unionized;
 - (C) Differences in workload based upon academic department; and
 - (D) Potential costs to the University as an employer; and
- (2) Establish an Advisory Council, which includes graduate student representation, to assist in the development and execution of the study.

The Graduate Student Organization; United Public Workers, AFSCME, Local 646, AFL-CIO; and a number of concerned individuals supported this measure.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 85 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takumi, Yamane and Fale.

SCRep. 1258 Labor & Public Employment/Higher Education on H.C.R. No. 114

The purpose of this measure is to support graduate students at the University of Hawaii by requesting the Auditor to, among other things:

- (1) Conduct a study on the potential effects of allowing graduate students of the University of Hawaii to unionize, which includes consideration of:
 - (A) Graduate student working conditions;
 - (B) Pay in relation to relevant cost of living and in comparison to graduate students at institutions where graduate students are unionized;
 - (C) Differences in workload based upon academic department; and
 - (D) Potential costs to the University as an employer; and
- (2) Establish an Advisory Council, which includes graduate student representation, to assist in the development and execution of the study.

The Graduate Student Organization; United Public Workers, AFSCME, Local 646, AFL-CIO; and a number of concerned individuals supported this measure.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 114 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takumi, Yamane and Fale.

SCRep. 1259 Energy & Environmental Protection on H.C.R. No. 128

The purpose of this measure is to request:

- (1) The United States National Oceanic and Atmospheric Administration to provide an annual report of the State's endangered marine life to the Department of Land and Natural Resources; and
- (2) The Department of Land and Natural Resources to make the report available to the public by posting the report to its website.

A few individuals provided testimony in support of this measure. The Department of Land and Natural Resources and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting a provision that requests the National Oceanic and Atmospheric Administration to make an annual report on the State's endangered marine life available to the public by posting the report to its website; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 128, as amended herein, and recommends that it be referred to the Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land in the form attached hereto as H.C.R. No. 128, H.D. 1.

Signed by all members of the Committee.

SCRep. 1260 Energy & Environmental Protection on H.R. No. 73

The purpose of this measure is to request the United States Department of the Interior Fish and Wildlife Service to work with affected persons and counties to establish reasonable Critical Habitat Designations for endangered species in the State.

The Department of Land and Natural Resources, three individual members of the Maui County Council, Alexander & Baldwin, 4 Ag Hawaii, Hawaii Farm Bureau Federation, Hawaii Aquaculture and Aquaponic Association, and a few individuals provided testimony in support of this measure. The Center for Biological Diversity and an individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Amending its title to read: "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";
- (2) Amending its contents to request that the United States Fish and Wildlife Service work with affected persons and counties in establishing critical habitat designations for endangered species in the State;
- (3) Deleting provisions stating that the proposed designation of land in Maui County for Critical Habitat Designation is overly broad and may constitute a taking of land without compensation;
- (4) Deleting provisions suggesting that an environmental impact statement should be considered before the proposed Critical Habitat Designation is finalized;
- (5) Deleting provisions that projected potentially adverse impacts on landowners from the proposed Critical Habitat Designation;
- (6) Specifying the Legislature's concern that the proposed Critical Habitat Designation may hurt the relationship between the county and the federal government; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised that this measure will affect Maui County farmers and ranchers who currently depend on federal funds for their operations or who may seek federal funds in the future.

Your Committee respectfully requests that your Committee on Water & Land consider further amendments to this measure to urge the United States Fish and Wildlife Service to reopen its consultation on this matter with the counties and affected residents.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 73, as amended herein, and recommends that it be referred to the Committee on Water & Land in the form attached hereto as H.R. No. 73, H.D. 1.

Signed by all members of the Committee.

SCRep. 1261 Energy & Environmental Protection on H.C.R. No. 96

The purpose of this measure is to request the United States Department of the Interior Fish and Wildlife Service to work with affected persons and counties to establish reasonable Critical Habitat Designations for endangered species in the State.

The Department of Land and Natural Resources, Department of Agriculture, two individual members of the Maui County Council, Alexander & Baldwin, 4 Ag Hawaii, Hawaii Farm Bureau Federation, Kualoa Ranch, Barbed S Ranch, Hawaii Cattlemen's Council, Kealia Ranch, Maui Cattlemen's

Association, Maui County Farm Bureau Federation, and several individuals provided testimony in support of this measure. The Center for Biological Diversity and one individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Amending its title to read: "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";
- (2) Amending its contents to request that the United States Fish and Wildlife Service work with affected persons and counties in establishing critical habitat designations for endangered species in the State;
- (3) Deleting provisions suggesting that an environmental impact statement should be considered before the proposed Critical Habitat Designation is finalized;
- (4) Deleting provisions that projected potentially adverse impacts on landowners from the proposed Critical Habitat Designation;
- (5) Specifying the Legislature's concern that the proposed Critical Habitat Designation may hurt the relationship between the county and the federal government; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised that this measure will affect Maui County farmers and ranchers who currently depend on federal funds for their operations or who may seek federal funds in the future.

Your Committee respectfully requests that your Committee on Water & Land consider further amendments to this measure to urge the United States Fish and Wildlife Service to reopen its consultation on this matter with the counties and affected residents.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 96, as amended herein, and recommends that it be referred to the Committee on Water & Land in the form attached hereto as H.C.R. No. 96, H.D. 1.

Signed by all members of the Committee.

SCRep. 1262 Water & Land on H.C.R. No. 49

The purpose of this measure is to request that the Department of Land and Natural Resources establish a Small Boat Harbor Management Task Force.

Numerous individuals testified in support of this measure. The Department of Land and Natural Resources testified in opposition to this measure. The United Public Workers, AFSCME, Local 646, AFL-CIO, submitted comments.

Your Committee has amended this measure by:

- (1) Amending the composition of the Task Force to include nine members representing both public and private sector interests, including users of harbor facilities and the environmental community;
- (2) Specifying a time frame for the convening of the Task Force and the conduct of its first meeting; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee respectfully requests that your Committee on Finance, should it consider this measure, consider the request of the United Public Workers for representation on the Task Force created by this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 49, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 49, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1263 Water & Land on H.C.R. No. 160

The purpose of this measure is to request the State Historic Preservation Division to convene a task force composed of members with professional expertise in tax laws, planning, economic development, and historic preservation to assist the Hawaii Historic Places Review Board in examining issues involved with the identification of historic properties and inclusion of those properties in the Hawaii Register of Historic Places.

Your Committee received testimony in support of this measure from an individual. The Department of Land and Natural Resources submitted testimony in opposition to this measure. The Naval Air Museum Barbers Point and Historic Hawai'i Foundation submitted comments.

Your Committee has amended this measure by:

- (1) Deleting a provision that requested the task force to create an inventoried list of districts, sites, or structures that may be appropriate for inclusion in the Hawaii Register of Historic Places; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 160, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 160, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1264 Water & Land on H.C.R. No. 98

The purpose of this measure is to express the Legislature's support for ongoing and collaborative efforts to plan and develop in the Kaka'ako Makai area of the Kaka'ako Community Development District on Oahu a science, technology, engineering, and math education and training center for the benefit of students from kindergarten to graduate levels.

The Department of Education, University of Hawai'i, University of Hawaii's Kewalo Marine Laboratory, Hawaii's Thousand Friends, Friends of Kewalos, Kaimipono Consulting Services LLC, and three individuals submitted testimony in support of this measure. The Office of Hawaiian Affairs submitted comments.

Your Committee notes that several of the proponents of this measure suggested amendments to further strengthen its purpose of promoting science, technology, engineering, and math education in the State. Your Committee finds that these suggested amendments fall within the subject matter jurisdiction of your Committee on Education and defers to the judgment of that Committee, should it consider this measure. Further, your Committee respectfully requests that your Committee on Education consider the merits of including agricultural education and training among the purposes of the planned education and training center.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 98 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1265 Water & Land on H.R. No. 61

The purpose of this measure is to express support for the Hawaii State Historic Preservation Plan by:

- (1) Requesting the Governor to provide copies of the Hawaii State Historic Preservation Plan to each state department and agency that has ownership, management, regulatory, or other jurisdiction over historic or cultural resources, and direct the department and agencies to incorporate the Hawaii State Historic Preservation Plan into their planning documents; and
- (2) Requesting the Department of Land and Natural Resources to submit its recommendations, including any proposed legislation, regarding the implementation of the Hawaii State Historic Preservation Plan, to the Legislature prior to the convening of the 2013 Regular Session.

The Department of Land and Natural Resources, Historic Hawaii Foundation, and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 61 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1266 Water & Land on H.C.R. No. 77

The purpose of this measure is to express the Legislature's support for the Hawaii State Historic Preservation Plan by:

- (1) Requesting the Governor to provide copies of the Hawaii State Historic Preservation Plan to each state department and agency that has ownership, management, regulatory, or other jurisdiction over historic or cultural resources, and direct the department and agencies to incorporate the Hawaii State Historic Preservation Plan into their planning documents; and
- (2) Requesting the Department of Land and Natural Resources to submit its recommendations, including any proposed legislation, regarding the implementation of the Hawaii State Historic Preservation Plan, to the Legislature prior to the convening of the 2013 Regular Session.

The Department of Land and Natural Resources and Historic Hawaii Foundation supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 77 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1267 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 87

The purpose of this measure is to provide for the continued education of the children and youth of Hawaii through Hawaii's Art in Public Places Program by encouraging the Hawaii State Foundation on Culture and the Arts to utilize the Art in Public Places Program to include more art programs for the State's children.

The Hawaii State Foundation on Culture and the Arts, an individual, and numerous concerned schoolchildren testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 87 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1268 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 116

The purpose of this measure is to provide for the continuing education of the children and youth of Hawaii through Hawaii's Art in Public Places Program by encouraging the Hawaii State Foundation on Culture and the Arts to utilize the Art in Public Places Program to include more art programs for the State's children.

The Hawaii State Foundation on Culture and the Arts, an individual, and numerous concerned schoolchildren testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1269 Water & Land on H.R. No. 131

The purpose of this measure is to support urban art by requesting the State Foundation on Culture and the Arts to establish a two-year urban art pilot program, including:

- (1) The establishment of procedures for the pilot program by the State Foundation on Culture and the Arts in consultation with various stakeholders;
- (2) Consultation with the State Historic Preservation Division, Historic Hawaii Foundation, and other stakeholders to ensure the creation of urban art does not adversely affect historic property; and
- (3) The submission of a report to the Legislature on the status of the pilot program.

The State Foundation on Culture and the Arts and Historic Hawaii Foundation supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 131 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.
(Representative Coffman voted no.)

SCRep. 1270 Water & Land on H.C.R. No. 163

The purpose of this measure is to support urban art by requesting the State Foundation on Culture and the Arts to establish a two-year urban art pilot program, including:

- (1) The establishment of procedures for the pilot program by the State Foundation on Culture and the Arts in consultation with various stakeholders;
- (2) Consultation with the State Historic Preservation Division, Historic Hawaii Foundation, and other stakeholders to ensure the creation of urban art does not adversely affect historic property; and
- (3) The submission of a report to the Legislature on the status of the pilot program.

The State Foundation on Culture and the Arts, Historic Hawaii Foundation, and two concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 163 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.
(Representative Coffman voted no.)

SCRep. 1271 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 104

The purpose of this measure is to grant legislative authorization, as required by section 171-53(c), Hawaii Revised Statutes, for a non-exclusive

easement covering a portion of state submerged land for the purpose of repair and maintenance of existing seawall and filled land.

The Department of Land and Natural Resources submitted testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 104 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1272 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 110

The purpose of this measure is to facilitate the repair and maintenance of the existing seawall at Kawaioloa, Waialua, Oahu by requesting legislative authorization to grant an easement covering state submerged lands as required by law.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 110 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1273 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 145

The purpose of this measure is to facilitate the renovation and maintenance of a seawall on state submerged lands in Kaneohe, Oahu, by authorizing the Board of Land and Natural Resources to issue a nonexclusive easement covering the relevant land for a 55-year term.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 145 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1274 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 144

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a nonexclusive easement for a 55-year term covering a portion of state submerged lands located in Heeia, Koolaupoko, Oahu, for purposes of use, maintenance, repair, and removal of an existing pier.

The Department of Land and Natural Resources supported this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 144 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1275 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 61

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a fifty-five year term, non-exclusive easement for a portion of state submerged lands at Puamana, Lahaina, Maui, for the maintenance and repair of existing seawall structures and the historic swimming pool.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 61 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1276 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 208

The purpose of this measure is to provide prior legislative authorization as required by section 171-53(c), Hawaii Revised Statutes, for the lease of submerged lands at Manele Small Boat Harbor on Lanai to Coon Brothers, Inc., for the purpose of repair and maintenance of a pier and loading dock.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Coon Brothers, Inc.; and several individuals.

Your Committees note that one of its members raised questions about the statutory requirements for authorization of a lease of submerged lands. Your Committees find that this measure satisfies those requirements.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 208 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1277 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 109

The purpose of this measure is to request that the Chairperson of the Board of Land and Natural Resources convene a Task Force composed of representatives of relevant state and county agencies and of the public to consider issues, including safety and conservation, related to the placement of memorials on coastal areas.

The Department of Land and Natural Resources submitted comments on this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 109 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.
(Representative Coffman voted no.)

SCRep. 1278 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 139

The purpose of this measure is to request that the Chairperson of the Board of Land and Natural Resources convene a Task Force composed of representatives of relevant state and county agencies and of the public to consider issues, including safety and conservation, related to the placement of memorials on coastal areas.

One individual testified in support of this measure. The Department of Land and Natural Resources submitted comments.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 139 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.
(Representative Coffman voted no.)

SCRep. 1279 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 80

The purpose of this measure is to request that the Department of Land and Natural Resources submit a report to the Legislature on the actions it has taken to address findings and recommendations in the Auditor's report regarding the Division of Boating and Ocean Recreation and its management of the State's harbor facilities.

Your Committees received testimony in support of this measure from three individuals. The Department of Land and Natural Resources submitted comments.

Your Committees note that, as the Department of Land and Natural Resources pointed out in its testimony, the Department regularly undergoes financial and management audits by the Legislative Auditor as well as a certified public accountant. Your Committees further note that these periodic reviews have resulted in multiple reports of deficiencies in the management and conditions at Ala Wai Boat Harbor.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 80 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1280 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 130

The purpose of this measure is to request the Department of Hawaiian Home Lands, in consultation with DeBartolo Development, LLC, to provide a written report to the Legislature on the Ka Makana Alii project that includes updates and projections regarding the project and on the status and effect of Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012.

The Department of Hawaiian Home Lands and DeBartolo Development, LLC provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 130 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1281 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 162

The purpose of this measure is to request the Department of Hawaiian Home Lands, in consultation with DeBartolo Development, LLC, to provide a written report to the Legislature on the Ka Makana Alii project that includes updates and projections regarding the project and on the status and effect of Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012.

The Department of Hawaiian Home Lands and DeBartolo Development, LLC provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1282 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 102

The purpose of this measure is to recognize the importance of fishing and seafood traditions in Hawaii by designating the week of October 6 through 13, 2013, as "Hawaii Fishing and Seafood Week."

The Department of Land and Natural Resources, Fishing Tales with Mike Sakamoto, Hawaii Nearshore Fishermen, Pacific Islands Fisheries Group, and a few concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 102 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1283 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 132

The purpose of this measure is to recognize the importance of fishing and seafood traditions in Hawaii by designating the week of October 6 through 13, 2013, as "Hawaii Fishing and Seafood Week."

The Department of Land and Natural Resources, Fishing Tales with Mike Sakamoto, Hawaii Nearshore Fishermen, Pacific Islands Fisheries Group, Tamashiro Market, and several concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 132 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1284 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 156

The purpose of this measure is to:

- (1) Recognize the Native Hawaiian Hospitality Association for its work in preparing for the designation of Waikīkī – Kauhale O Ho'okipa as a state scenic byway;
- (2) Support the Native Hawaiian Hospitality Association's work; and
- (3) Support the designation of Waikīkī Kauhale O Ho'okipa Scenic Byway as a National Scenic Byway.

A few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 156 and recommends that it be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1285 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 195

The purpose of this measure is to:

- (1) Recognize the Native Hawaiian Hospitality Association for its work in preparing for the designation of Waikīkī – Kauhale O Ho'okipa as a state scenic byway;
- (2) Support the Native Hawaiian Hospitality Association's work; and
- (3) Support the designation of Waikīkī Kauhale O Ho'okipa Scenic Byway as a National Scenic Byway.

An individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 195 and recommends that it be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1286 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 103

The purpose of this measure is to request the Board of Trustees of the Office of Hawaiian Affairs, Hawaiian Homes Commission, Board of Education, and the University of Hawaii Board of Regents to televise their respective general meetings.

Two individuals submitted testimony in support of this measure. The Department of Hawaiian Home Lands, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and an individual provided comments on this measure.

Your Committee notes that the Association of Hawaiian Civic Clubs suggested that this measure be amended to request that the Board of Land and Natural Resources, Water Resources Management Commission, and Hawaii Community Development Association also televise their meetings. However, your Committee has not discussed this matter with those agencies and, accordingly, has not amended this measure to include them.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 103 and recommends that it be referred to the Committees on Education and Higher Education.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1287 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 133

The purpose of this measure is to request the Board of Trustees of the Office of Hawaiian Affairs, Hawaiian Homes Commission, Board of Education, and the University of Hawaii Board of Regents to televise their respective general meetings.

The Department of Hawaiian Home Lands, Office of Hawaiian Affairs, the Association of Hawaiian Civic Clubs, and an individual provided comments on this measure.

Your Committee notes that the Association of Hawaiian Civic Clubs suggested that this measure be amended to request that the Board of Land and Natural Resources, Water Resources Management Commission, and Hawaii Community Development Association also televise their meetings. However, your Committee has not discussed this matter with those agencies and, accordingly, has not amended this measure to include them.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 133 and recommends that it be referred to the Committees on Education and Higher Education.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1288 Transportation on H.C.R. No. 22

The purpose of this measure is to request the Department of Health to establish a Healthy Community Design Task Force to develop legislative recommendations that integrate improving health as a priority in land use planning and transportation decisions.

The Department of Health, Hawai'i Pacific Health, and a concerned individual supported this measure. The Department of Transportation supported the intent of this measure. The Department of Planning and Permitting of the City and County of Honolulu provided comments.

Your Committee has amended this measure by:

- (1) Changing its title to read: "REQUESTING THE DEPARTMENT OF HEALTH TO ESTABLISH A TASK FORCE TO DEVELOP LEGISLATIVE RECOMMENDATIONS THAT INCLUDE HEALTH AS A PRIORITY IN LAND USE PLANNING AND TRANSPORTATION DECISIONS"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 22, as amended herein, and recommends that it be referred to the Committee on Health in the form attached hereto as H.C.R. No. 22, H.D. 1.

Signed by all members of the Committee.

SCRep. 1289 Agriculture on H.R. No. 110

The purpose of this measure is to promote sustainable and organic farming by urging the Department of Agriculture to offer grants to farmers who intend to implement the Han Kyu Cho global natural farming technique.

One Island Sustainable Living Center and a few concerned individuals testified in support of this measure. The Department of Agriculture submitted comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 110, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 110, H.D. 1.

Signed by all members of the Committee.

SCRep. 1290 Agriculture on H.C.R. No. 140

The purpose of this measure is to promote sustainable and organic farming by urging the Department of Agriculture to offer grants to farmers who intend to implement the Han Kyu Cho global natural farming technique.

Two concerned individuals testified in support of this measure. The Department of Agriculture submitted comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 140, H.D. 1.

Signed by all members of the Committee.

SCRep. 1291 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 13

The purpose of this measure is to promote equality and fairness in the United States Armed Services by requesting the President of the United States and the United States Congress to immediately repeal the combat exclusionary rules as contrary to good order and discipline and as the humane, ethical thing to do.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 13 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1292 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 133

The purpose of this measure is to promote, perpetuate, preserve, and encourage culture and the arts, history, and the humanities by requesting the State Foundation on Culture and the Arts to display all works of art in its collection and to make publicly available on the Internet photographs and information of every work of art in the Foundation's collection.

The State Foundation on Culture and the Arts provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 133 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1293 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 165

The purpose of this measure is to promote, perpetuate, preserve, and encourage culture and the arts, history, and the humanities by requesting the State Foundation on Culture and the Arts to display all works of art in its collection and to make publicly available on the Internet photographs and information of every work of art in the Foundation's collection.

The State Foundation on Culture and the Arts provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 165 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1294 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 121

The purpose of this measure is to broaden, deepen, and elevate bilateral relations between the United States and Indonesia by recognizing and

commending the United States-Indonesia Comprehensive Partnership and the global significance of enhanced cooperation between the United States and Indonesia.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 121 and recommends that it be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1295 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 152

The purpose of this measure is to broaden, deepen, and elevate bilateral relations between the United States and Indonesia by recognizing and commending the United States-Indonesia Comprehensive Partnership and the global significance of enhanced cooperation between the United States and Indonesia.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 152 and recommends that it be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1296 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 88

The purpose of this measure is to restore access to important and fundamental federal programs for United States resident workers, taxpayers, students, and community members present under the Compacts of Free Association by urging Congress to include resident citizens of the Freely Associated States as "qualified aliens" and restore their program eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act.

The Hawai'i Civil Rights Commission, Office of Hawaiian Affairs, Healthy Pacific Organization, UNITE HERE Local 5, Hawaii Disability Rights Center, Hawaii State Coalition Against Domestic Violence, Hawai'i Appleseed Center for Law and Economic Justice, COFA Community Advocacy Network, Hepatitis Support Network of Hawaii, Healthy Pacific.Org, and numerous concerned individuals testified in support of this measure. One concerned individual provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 88 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1297 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 117

The purpose of this measure is to restore access to important and fundamental federal programs for United States resident workers, taxpayers, students, and community members present under the Compacts of Free Association by urging Congress to include resident citizens of the Freely Associated States as "qualified aliens" and restore their program eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act.

The Hawai'i Civil Rights Commission, Office of Hawaiian Affairs, Healthy Pacific Organization, UNITE HERE Local 5, Hawaii Disability Rights Center, Kokua Kalihi Valley, Hawaii State Coalition Against Domestic Violence, Hawai'i Appleseed Center for Law and Economic Justice, COFA Community Advocacy Network, Hepatitis Support Network of Hawaii, Healthy Pacific.Org, and numerous concerned individuals testified in support of this measure. Two concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 117 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1298 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 55

The purpose of this measure is to expand Hawaii's international ties and develop goodwill, friendship, and economic relations between the people of Hawaii and the people of the Philippines by requesting the Department of Education to support a student exchange program for students in Hawaii public schools and students in provinces in the Republic of the Philippines with which the State has State-Province relationships.

The State Foundation on Culture and the Arts, Congress of Visayan Organizations, and two concerned individuals testified in support of this measure. The Department of Education supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that certified copies of the Resolution be sent to the Governors of specific provinces in the Philippines; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 55, as amended herein, and recommends that it be referred to the Committee on Education in the form attached hereto as H.R. No. 55, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1299 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 71

The purpose of this measure is to expand Hawaii's international ties and develop goodwill, friendship, and economic relations between the people of Hawaii and the people of the Philippines by requesting the Department of Education to support a student exchange program for students in Hawaii public schools and students in provinces in the Republic of the Philippines with which the State has State-Province relationships.

The State Foundation on Culture and the Arts, Congress of Visayan Organizations, and two concerned individuals testified in support of this measure. The Department of Education supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that certified copies of the Concurrent Resolution be sent to the Governors of specific provinces in the Philippines; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 71, as amended herein, and recommends that it be referred to the Committee on Education in the form attached hereto as H.C.R. No. 71, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1300 Legislative Management on H.R. No. 18

The purpose of this measure is to raise awareness about prostate cancer in Hawaii by requesting:

- (1) The Department of Accounting and General Services to participate in the Hawaii Prostate Cancer Coalition's initiative, "Light the State Capitol Blue," during a portion of the 2013 Regular Session; and
- (2) The Comptroller to allow a banner that encourages men to speak to their physicians about prostate cancer to be hung on the State Capitol grounds during the month of September 2013.

The Department of Accounting and General Services, Hawaii Prostate Cancer Coalition, and several individuals supported this measure.

Your Committee notes that the Department of Accounting and General Services has estimated it will cost \$8,000 to participate in this initiative.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 18 and recommends its adoption.

Signed by all members of the Committee except Representative Saiki.

SCRep. 1301 Legislative Management on H.C.R. No. 33

The purpose of this measure is to raise awareness about prostate cancer in Hawaii by requesting:

- (1) The Department of Accounting and General Services to participate in the Hawaii Prostate Cancer Coalition's initiative, "Light the State Capitol Blue," during a portion of the 2013 Regular Session; and
- (2) The Comptroller to allow a banner that encourages men to speak to their physicians about prostate cancer to be hung on the State Capitol grounds during the month of September 2013.

The Department of Accounting and General Services, Hawaii Prostate Cancer Coalition, and several individuals supported this measure.

Your Committee notes that the Department of Accounting and General Services has estimated it will cost \$8,000 to participate in this initiative.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 33 and recommends its adoption.

Signed by all members of the Committee except Representative Saiki.

SCRep. 1302 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 174

The purpose of this measure is to recognize and honor the ultimate sacrifice on the battlefield made by a Hawaii born member of the United States military, First Lieutenant John Kuulei Kauhahao, by urging the United States Congress to award him the Congressional Medal of Honor for his ultimate act of valor during the Vietnam War.

The Department of Defense of the State of Hawaii and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 174 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1303 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 218

The purpose of this measure is to recognize and honor the ultimate sacrifice on the battlefield made by a Hawaii born member of the United States military, First Lieutenant John Kuulei Kauhahao, by urging the United States Congress to award him the Congressional Medal of Honor for his ultimate act of valor during the Vietnam War.

The Department of Defense of the State of Hawaii and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 218 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1304 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 47

The purpose of this measure is to continue the cordial friendship and strong relationship between Hawai'i and Taiwan by urging the Governor, Department of Business, Economic Development, and Tourism, Board of Regents of the University of Hawai'i, Board of Education, and Hawai'i's Congressional delegation to strengthen Hawai'i's sister-state relationship with Taiwan in commemoration of the twentieth anniversary of the sister-state relationship between Hawai'i and Taiwan.

The Department of Business, Economic Development, and Tourism; Director General of the Taipei Economic and Cultural Office; Chinese Chamber of Commerce of Hawaii; and Hawaii Chinese Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 47 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1305 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 61

The purpose of this measure is to continue the cordial friendship and strong relationship between Hawai'i and Taiwan by urging the Governor, Department of Business, Economic Development, and Tourism, Board of Regents of the University of Hawai'i, Board of Education, and Hawai'i's Congressional delegation to strengthen Hawai'i's sister-state relationship with Taiwan in commemoration of the twentieth anniversary of the sister-state relationship between Hawai'i and Taiwan.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 61, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1306 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 148

The purpose of this measure is to facilitate reunification of Filipino veterans with their families by urging the President and all members of Congress to support and pass the Filipino Veterans Family Reunification Act of 2013 to exempt the children of certain Filipino World War II veterans from numerical limitations on immigrant visas.

Several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 148 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1307 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 183

The purpose of this measure is to facilitate reunification of Filipino veterans with their families by urging the President and all members of Congress to support and pass the Filipino Veterans Family Reunification Act of 2013 to exempt the children of certain Filipino World War II veterans from numerical limitations on immigrant visas.

Several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 183 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1308 Transportation on H.R. No. 113

The purpose of this measure is to alleviate traffic congestion by urging the Department of Transportation to:

- (1) Study alternative ways to alleviate eastbound traffic congestion on the H-1/H-2 freeway, particularly near the H-1/H-2 merge; and
- (2) Submit a report based on its study, which includes any findings, recommendations, and necessary legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014.

The Department of Transportation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 113 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1309 Transportation on H.C.R. No. 142

The purpose of this measure is to alleviate traffic congestion by urging the Department of Transportation to:

- (1) Study alternative ways to alleviate eastbound traffic congestion on the H-1/H-2 freeway, particularly near the H-1/H-2 merge; and
- (2) Submit a report based on its study, which includes any findings, recommendations, and necessary legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014.

The Department of Transportation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 142 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1310 Transportation on H.R. No. 111

The purpose of this measure is to alleviate traffic congestion by urging the Department of Transportation to place on its priority list and work toward the opening of the eastbound shoulder lanes from the Makakilo Drive on-ramp to the Kunia off-ramp on the H-1 Freeway during peak morning traffic hours.

A concerned individual supported this measure. The Department of Transportation supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 111 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1311 Transportation on H.C.R. No. 141

The purpose of this measure is to alleviate traffic congestion by urging the Department of Transportation to place on its priority list and work toward the opening of the eastbound shoulder lanes from the Makakilo Drive on-ramp to the Kunia off-ramp on the H-1 Freeway during peak morning traffic hours.

The Department of Transportation supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141 and recommends its adoption.

Signed by all members of the Committee.

SCRep. 1312 Water & Land on H.R. No. 98

The purpose of this measure is to encourage development in Waimea by urging the Mayor of the County of Kauai, the Kauai County Council, communities on the west side of Kauai, and the Waimea Sports Complex Steering Committee to collaborate to expedite the construction of the Waimea Sports Complex.

Three concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 98 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1313 Water & Land on H.C.R. No. 127

The purpose of this measure is to encourage development in Waimea by urging the Mayor of the County of Kauai, the Kauai County Council, communities on the west side of Kauai, and the Waimea Sports Complex Steering Committee to collaborate to expedite the construction of the Waimea Sports Complex.

Three concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 127 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Lee and Thielen.

SCRep. 1314 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 91

The purpose of this measure is to request the Department of Land and Natural Resources to conduct a study of state small boat harbor facility commercial permits. Specifically, this study will investigate current permits for vessels engaged in ocean-use activities in the waters between Kalaeloa Point and Kaena Point, as well as permits that existed at the institution of the moratorium period established by Act 6, Special Session Laws of Hawaii 2005.

A few individuals testified in support of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 91 and recommend its adoption.

Signed by all members of the Committee except Representative Lee.

SCRep. 1315 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 120

The purpose of this measure is to request the Department of Land and Natural Resources to conduct a study of state small boat harbor facility commercial permits. Specifically, this study will investigate current permits for vessels engaged in ocean-use activities in the waters between Kalaeloa Point and Kaena Point, as well as permits that existed at the institution of the moratorium period established by Act 6, Special Session Laws of Hawaii 2005.

A few individuals testified in support of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 120 and recommend its adoption.

Signed by all members of the Committee except Representative Lee.

SCRep. 1316 Judiciary on S.B. No. 286

The purpose of this measure is to ensure fair and accurate representation in the State Legislature by clarifying the reapportionment population basis. Specifically, this measure:

- (1) Requires reapportionment to be based in part on population data of the total number of permanent residents in the State; and
- (2) Defines "permanent resident" for legislative reapportionment purposes as any individual counted as a usual resident in the last preceding United States census within the State of Hawaii.

The Hawaii State Reapportionment Commission, Oahu Apportionment Advisory Council; Military Officers Association of Hawaii, Hawaii Chapter; Damon Key Leong Kupchak Hastert, A Law Corporation; National Association for Uniformed Services, Hawaii Chapter (HI-1); and two concerned individuals supported this measure. Two concerned individuals opposed this measure. The Department of the Attorney General expressed strong concerns on this measure and offered comments.

Your Committee has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 286, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 286, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1317 Judiciary on S.B. No. 6

The purpose of this measure is to prevent the cruel treatment of animals. Specifically, this measure:

- (1) Requires dogs or cats that are captured or killed in a snare or certain traps to be reported to a county animal control officer;
- (2) Establishes a misdemeanor offense for the use of steel-jawed leg-hold traps or the use of snares, conibear, and foot- or leg-hold traps in residential or other prohibited areas; and
- (3) Provides exemptions for activities carried out by state and federal agencies.

The Hawaiian Humane Society, the Molokai Humane Society, the Hawaii Island Humane Society, The Nature Conservancy, Hui Pono Holoholona, and over two hundred concerned individuals supported this measure. Several concerned individuals opposed this measure. The Department of Land and Natural Resources, the Humane Society of the United States, the Hawaii Pest Control Association, and several concerned individuals submitted comments.

To ensure that animals are treated humanely, your Committee reiterates that this measure prohibits the use of snares, conibear traps, and foot- or leg-hold traps in areas zoned as residential or where such traps are prohibited by law or rule and the general use of steel-jawed leg-hold traps, with specified and narrow exceptions. As such, your Committee emphasizes that such traps and snares should not be claimed to be, or used as, rodent control devices, and finds that this measure should not be ambiguous on this point.

Accordingly, your Committee has amended this measure to delete the exception for persons carrying out accepted practices for rodent control that do not involve the specified traps and snares.

Your Committee has further amended this measure to:

- (1) Broaden the exception for employees of state or federal agencies who are carrying out activities required under a management plan to include persons acting as designated cooperators or as agents of the State;
- (2) Clarify that the definition of "conibear traps" does not include snap traps used for rodent control;
- (3) Make the measure effective upon its approval; and
- (4) Make technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 6, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 6, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1318 Human Services on H.R. No. 153

The purpose of this measure is to ensure regulatory compliance by providers of Medicaid nursing home level of care by requesting the Department of Human Services to conduct a study on the compliance of contracted service providers with state and federal law and contract requirements.

The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 153 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1319 Human Services on H.C.R. No. 192

The purpose of this measure is to ensure regulatory compliance by providers of Medicaid nursing home level of care by requesting the Department of Human Services to conduct a study on the compliance of contracted service providers with state and federal law and contract requirements.

The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 192 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1320 Human Services/Health on H.R. No. 115

The purpose of this measure is to request the Senate President and Speaker of the House of Representatives to convene a work group to examine social determinants of health and risk adjustment for publicly-insured and uninsured individuals.

The Department of Commerce and Consumer Affairs, the Community Alliance for Mental Health and United Self Help, AlohaCare, Ohana Health Plan, and Hawaii Primary Care Association testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 115 and recommend that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Cheape and Fukumoto.

SCRep. 1321 Human Services/Health on H.C.R. No. 146

The purpose of this measure is to request the Senate President and Speaker of the House of Representatives to convene a work group to examine social determinants of health and risk adjustment for publicly-insured and uninsured individuals.

The Department of Health, Department of Commerce and Consumer Affairs, Community Alliance for Mental Health and United Self Help, AlohaCare, Ohana Health Plan, and Hawaii Primary Care Association testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 146 and recommend that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla, Cheape and Fukumoto.

SCRep. 1322 Human Services/Health on H.R. No. 89

The purpose of this measure is to ensure the safety of adults covered by the expanded Adult Protective Services law by requesting the Department of Human Services to conduct a study that, among other things, details data on adults covered, identifies the disposition or referral status of cases, and explains disparities and possible gaps in services.

A concerned individual testified in support of this measure. The Department of Human Services commented on the measure.

Your Committee has amended the measure by:

- (1) Deleting the request that the Department of Human Services study the data related to the impact of the expanded law, and replacing it with a request that the Department of Human Services submit progress reports to the Legislature detailing efforts to improve and re-engineer processing for Adult Protective Services;
- (2) Amending its title to reflect the new request and to read: "REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO PREPARE A PROGRESS REPORT ON DETAILING EFFORTS TO IMPROVE AND RE-ENGINEER PROCESSING FOR ADULT PROTECTIVE SERVICES"; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 89, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 89, H.D. 1.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 1323 Human Services/Health on H.C.R. No. 118

The purpose of this measure is to ensure the safety of adults covered by the expanded Adult Protective Services law by requesting the Department of Human Services to conduct a study that, among other things, details data on adults covered, identifies the disposition or referral status of cases, and explains disparities and possible gaps in services.

The Department of Human Services commented on the measure.

Your Committee has amended the measure by:

- (1) Deleting the request that the Department of Human Services study the data related to the impact of the expanded law, and replacing it with a request that the Department of Human Services submit progress reports to the Legislature detailing efforts to improve and re-engineer processing for Adult Protective Services;
- (2) Amending its title to reflect the new request and to read: "REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO PREPARE A PROGRESS REPORT ON DETAILING EFFORTS TO IMPROVE AND RE-ENGINEER PROCESSING FOR ADULT PROTECTIVE SERVICES"; and

- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 118, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 118, H.D. 1.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 1324 Human Services on H.R. No. 152

The purpose of this measure is to ensure transparency and program integrity of the Medicaid program by requesting the Department of Human Services to conduct a study on compliance with the Patient Protection and Affordable Care Act.

The Community Alliance for Mental Health and United Self Help testified in support of this measure. The Department of Human Services provided comments.

Your Committee notes that testimony by the Department of Human Services indicates staffing reductions make completion of a comprehensive study difficult while the Department focuses on implementing required provisions of the Affordable Care Act.

Your Committee has amended this measure by:

- (1) Replacing the request that the Department of Human Services conduct a comprehensive study with a request that the Department prepare a report detailing compliance with the Affordable Care Act;
- (2) Amending its title to reflect the amended contents; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 152, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 152, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1325 Human Services on H.C.R. No. 191

The purpose of this measure is to ensure transparency and program integrity of the Medicaid program by requesting the Department of Human Services to conduct a study on compliance with the Patient Protection and Affordable Care Act.

The Community Alliance for Mental Health and United Self Help testified in support of this measure. The Department of Human Services provided comments.

Your Committee notes that testimony by the Department of Human Services indicates staffing reductions make completion of a comprehensive study difficult while the Department focuses on implementing required provisions of the Affordable Care Act.

Your Committee has amended this measure by:

- (1) Replacing the request that the Department of Human Services conduct a comprehensive study with a request that the Department prepare a report detailing compliance with the Affordable Care Act;
- (2) Amending its title to reflect the amended contents; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 191, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 191, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1326 Human Services on H.C.R. No. 184

The purpose of this measure is to ensure continuing oversight of the Department of Human Services Medicaid Program by requesting the Auditor to conduct a comprehensive financial audit of the Med-QUEST Division, with emphasis on the Medicaid Program.

The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 184 and recommends that it be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Cabanilla and Fukumoto.

SCRep. 1327 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 86

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, and Operation Enduring Freedom by requesting the Office of Veterans' Services, with the assistance of the Department of Accounting and General Services and the Department of Defense, to develop plans to establish a memorial honoring the veterans of these conflicts on the grounds of the State Capitol near the Korea and Vietnam war memorials.

The Department of Land and Natural Resources and Department of Hawaii-Veterans of Foreign Wars of the United States testified in support of this measure. The Department of Accounting and General Services and Office of Veterans Services testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting language specifying that the memorial be placed on the grounds of the State Capitol near the Korean and Vietnam War Memorial;
- (2) Changing its title to read: "REQUESTING THE OFFICE OF VETERANS SERVICES, WITH THE ASSISTANCE OF OTHER DEPARTMENTS, TO PLAN AND ESTABLISH A MEMORIAL HONORING THE VETERANS OF THE PERSIAN GULF WAR, OPERATION DESERT STORM, OPERATION IRAQI FREEDOM, OPERATION NEW DAWN, AND OPERATION ENDURING FREEDOM"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 86, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 86, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1328 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 115

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, and Operation Enduring Freedom by requesting the Office of Veterans' Services, with the assistance of the Department of Accounting and General Services and the Department of Defense, to develop plans to establish a memorial honoring the veterans of these conflicts on the grounds of the State Capitol near the Korea and Vietnam war memorials.

The Department of Land and Natural Resources and Department of Hawaii-Veterans of Foreign Wars of the United States testified in support of this measure. The Department of Accounting and General Services and Office of Veterans Services testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Deleting language specifying that the memorial be placed on the grounds of the State Capitol near the Korean and Vietnam War Memorial;
- (2) Changing its title to read: "REQUESTING THE OFFICE OF VETERANS SERVICES, WITH THE ASSISTANCE OF OTHER DEPARTMENTS, TO PLAN AND ESTABLISH A MEMORIAL HONORING THE VETERANS OF THE PERSIAN GULF WAR, OPERATION DESERT STORM, OPERATION IRAQI FREEDOM, OPERATION NEW DAWN, AND OPERATION ENDURING FREEDOM"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 115, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 115, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1329 Public Safety on H.R. No. 71

The purpose of this measure is to ensure the safety of the public and first responders by requesting the Hawaii State Civil Defense to conduct a study regarding what actions should be taken when people refuse to leave their homes or close their businesses that are located in evacuation zones during natural disasters.

The State Adjutant General supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1330 Public Safety on H.C.R. No. 89

The purpose of this measure is to ensure the safety of the public and first responders by requesting the Hawaii State Civil Defense to conduct a

study regarding what actions should be taken when people refuse to leave their homes or close their businesses that are located in evacuation zones during natural disasters.

The State Adjutant General supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 89 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1331 Public Safety on H.R. No. 104

The purpose of this measure is to address the disproportionate representation of Native Hawaiians in the criminal justice system by requesting all agencies in the criminal justice system to conduct mandatory and ongoing implicit, unconscious bias training for all employees.

The Office of Hawaiian Affairs, Community Alliance on Prisons, Witt Counseling Service, and several concerned individuals supported this measure. The Department of Public Safety and the Hawaii Civil Rights Commission supported the intent of this measure. The Department of the Attorney General offered comments on this measure.

Your Committee has amended this measure by:

- (1) Requesting that bias training be conducted on an annual basis rather than an ongoing basis;
- (2) Inserting language that bias training is only requested for employees who have direct contact with offenders or individuals in the criminal justice system;
- (3) Amending its title to read: "REQUESTING ALL AGENCIES IN THE CRIMINAL JUSTICE SYSTEM TO CONDUCT ANNUAL, MANDATORY, IMPLICIT, UNCONSCIOUS BIAS TRAINING FOR SPECIFIC EMPLOYEES"; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 104, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 104, H.D. 1.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1332 Public Safety on H.C.R. No. 134

The purpose of this measure is to address the disproportionate representation of Native Hawaiians in the criminal justice system by requesting all agencies in the criminal justice system to conduct mandatory and ongoing implicit, unconscious bias training for all employees.

The Office of Hawaiian Affairs, Community Alliance on Prisons, Witt Counseling Service, and several concerned individuals supported this measure. The Department of Public Safety and the Hawaii Civil Rights Commission supported the intent of this measure. The Department of the Attorney General offered comments on this measure.

Your Committee has amended this measure by:

- (1) Requesting that bias training be conducted on an annual basis rather than an ongoing basis;
- (2) Inserting language that bias training is only requested for employees who have direct contact with offenders or individuals in the criminal justice system;
- (3) Amending its title to read: "REQUESTING ALL AGENCIES IN THE CRIMINAL JUSTICE SYSTEM TO CONDUCT ANNUAL, MANDATORY, IMPLICIT, UNCONSCIOUS BIAS TRAINING FOR SPECIFIC EMPLOYEES"; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 134, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 134, H.D. 1.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1333 Public Safety on H.R. No. 140

The purpose of this measure is to support inmates' rehabilitation and reentry back into their communities by requesting the State to develop a plan to implement an earned-time program to allow inmates under the jurisdiction of the Department of Public Safety to earn credit toward reducing their minimum term of imprisonment.

The Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, and numerous concerned individuals supported this measure. The Department of the Attorney General offered comments.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE STATE TO DEVELOP A PLAN TO IMPLEMENT A THREE-YEAR EARNED-TIME PILOT PROGRAM TO ALLOW INMATES UNDER THE JURISDICTION OF THE DEPARTMENT OF PUBLIC SAFETY TO EARN CREDIT TOWARD REDUCING THEIR MINIMUM TERM OF IMPRISONMENT";
- (2) Clarifying that the earned-time program that is being requested to be developed be a three-year pilot program;
- (3) Adding provisions requesting that the Hawaii Paroling Authority establish criteria for inmates who are ineligible for the three-year earned-time pilot program;
- (4) Adding provisions requesting that the Department of Public Safety, Department of the Attorney General, Hawaii Paroling Authority, and other involved parties develop structured guidelines that clearly establish that inmates have the opportunity to earn credits toward reducing their minimum term of imprisonment but do not necessarily have a right to participate in this pilot program; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 140, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.R. No. 140, H.D. 1.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1334 Public Safety on H.C.R. No. 172

The purpose of this measure is to support inmates' rehabilitation and reentry back into their communities by requesting the State to develop a plan to implement an earned-time program to allow inmates under the jurisdiction of the Department of Public Safety to earn credit toward reducing their minimum term of imprisonment.

The Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, and numerous concerned individuals supported this measure. The Department of the Attorney General offered comments.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE STATE TO DEVELOP A PLAN TO IMPLEMENT A THREE-YEAR EARNED-TIME PILOT PROGRAM TO ALLOW INMATES UNDER THE JURISDICTION OF THE DEPARTMENT OF PUBLIC SAFETY TO EARN CREDIT TOWARD REDUCING THEIR MINIMUM TERM OF IMPRISONMENT";
- (2) Clarifying that the earned-time program that is being requested to be developed be a three-year pilot program;
- (3) Adding provisions requesting that the Hawaii Paroling Authority establish criteria for inmates who are ineligible for the three-year earned-time pilot program;
- (4) Adding provisions requesting that the Department of Public Safety, Department of the Attorney General, Hawaii Paroling Authority, and other involved parties develop structured guidelines that clearly establish that inmates have the opportunity to earn credits toward reducing their minimum term of imprisonment but do not necessarily have a right to participate in this pilot program; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 172, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.C.R. No. 172, H.D. 1.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1335 Public Safety on H.C.R. No. 173

The purpose of this measure is to decrease the costs of incarceration and the rate of recidivism by encouraging the Department of Public Safety to expand community drug treatment and mental health programs for nonviolent offenders and move low-risk offenders into community programs that directly address their pathways to incarceration.

The Office of Hawaiian Affairs, Community Alliance on Prisons, Witt Counseling Service, and several concerned individuals supported this measure. The Department of Public Safety supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 173 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Nakashima, Takumi and McDermott.

SCRep. 1336 Energy & Environmental Protection on H.R. No. 167

The purpose of this measure is to request the Public Utilities Commission to submit a report to the Legislature that examines the potential for:

- (1) Providing renewable energy preferences to certain renewable energy sources that reduce or eliminate the amount of fossil fuel used in the generation of renewable energy;
- (2) Developing a clean energy standard that provides for renewable energy credits to energy producers based upon lifecycle greenhouse gas emissions; and
- (3) Implementing a clean energy standard to replace the current renewable portfolio standard.

The Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Public Utilities Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the reference to the definition of "renewable electrical energy" in Chapter 269, Hawaii Revised Statutes;
- (2) Specifying that energy infrastructure planning and energy independence require long-term planning and major capital investment;
- (3) Amending the reporting requirements to request the Public Utilities Commission to evaluate the renewable portfolio standards study required under section 269-95, Hawaii Revised Statutes, and include, among other things, preference for certain renewable energy resources that may have higher capacity value that reduce or eliminate the amount of fossil fuel to mitigate reliability issues;
- (4) Amending its title to read: "REQUESTING THE PUBLIC UTILITIES COMMISSION TO EVALUATE IN THE RENEWABLE PORTFOLIO STANDARDS STUDY PREFERENCES FOR CERTAIN RENEWABLE ENERGY RESOURCES AND THE DEVELOPMENT AND IMPLEMENTATION OF A CLEAN ENERGY STANDARD"; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 167, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.R. No. 167, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1337 Energy & Environmental Protection on H.C.R. No. 211

The purpose of this measure is to request the Public Utilities Commission to submit a report to the Legislature that examines the potential for:

- (1) Providing renewable energy preferences to certain renewable energy sources that reduce or eliminate the amount of fossil fuel used in the generation of renewable energy;
- (2) Developing a clean energy standard that provides for renewable energy credits to energy producers based upon lifecycle greenhouse gas emissions; and
- (3) Implementing a clean energy standard to replace the current renewable portfolio standard.

The Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Public Utilities Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the reference to the definition of "renewable electrical energy" in Chapter 269, Hawaii Revised Statutes;
- (2) Specifying that energy infrastructure planning and energy independence require long-term planning and major capital investment;
- (3) Amending the reporting requirements to request the Public Utilities Commission to evaluate the renewable portfolio standards study required under section 269-95, Hawaii Revised Statutes, and include, among other things, preference for certain renewable energy resources that may have higher capacity value that reduce or eliminate the amount of fossil fuel to mitigate reliability issues;
- (4) Amending its title to read: "REQUESTING THE PUBLIC UTILITIES COMMISSION TO EVALUATE IN THE RENEWABLE PORTFOLIO STANDARDS STUDY PREFERENCES FOR CERTAIN RENEWABLE ENERGY RESOURCES AND THE DEVELOPMENT AND IMPLEMENTATION OF A CLEAN ENERGY STANDARD"; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 211, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 211, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1338 Health on H.R. No. 105

The purpose of this measure is to facilitate the provision of information and assistance to emergency room patients and their families by encouraging the Department of Health to establish an Emergency Services Patient Advocate Program which would place advocates in emergency care settings across the State to facilitate communication between patients and their families and health care providers about diagnosis or treatment plan options.

The Community Alliance for Mental Health and United Self Help testified in support of this measure. The Department of Health offered comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 105 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1339 Health on H.C.R. No. 135

The purpose of this measure is to facilitate the provision of information and assistance to emergency room patients and their families by encouraging the Department of Health to establish an Emergency Services Patient Advocate Program which would place advocates in emergency care settings across the State to facilitate communication between patients and their families and health care providers about diagnosis or treatment plan options.

The Community Alliance for Mental Health and United Self Help testified in support of this measure. The Department of Health offered comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 135 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1340 Health/Energy & Environmental Protection on H.C.R. No. 205

The purpose of this measure, as received by your Committees, is to request a management audit of the Department of Health Environmental Health Administration.

For purposes of facilitating public input on this measure, your Committees gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committees amended H.C.R. No. 205 by narrowing the focus of the requested management audit to cover only the Sanitation Branch of the Department of Health's Environmental Health Administration.

The Department of Health submitted testimony in support of the proposed draft of this measure.

Upon consideration, your Committees have amended this measure by adopting the proposed draft that was noticed and considered at the public hearing.

As affirmed by the records of votes of the members of your Committees on Health and Energy & Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 205, as amended herein, and recommend that it be referred to the Committee on Legislative Management, in the form attached hereto as H.C.R. No. 205, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Hanohano and Cheape.

SCRep. 1341 Health/Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 175

The purpose of this measure is to request the Department of Health to issue certificates of birth, marriage, divorce, and death containing names in the Hawaiian language as accurately and within the same time frame as certificates containing names that are not in the Hawaiian language.

The Department of Health supported the intent of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 175 and recommend that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Kawakami and Fale.

SCRep. 1342 Health/Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 221

The purpose of this measure is to request the Department of Health to issue certificates of birth, marriage, divorce, and death containing names in the Hawaiian language as accurately and within the same time frame as certificates containing names that are not in the Hawaiian language.

The Beneficiary Advocacy and Empowerment Committee of the Office of Hawaiian Affairs and an individual supported this measure. The Department of Health supported the intent of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 221 and recommend that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Kawakami and Fale.

SCRep. 1343 Health on H.R. No. 172

The purpose of this measure is to improve outcomes for stroke patients by urging the Department of Health to convene a task force to establish a stroke system of care.

The American Heart Association/American Stroke Association and Healthcare Association of Hawaii testified in support of this measure. The Department of Health, Hawaii Pacific Health, and The Queen's Medical Center supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Clarifying the role of the Healthcare Association of Hawaii to be represented through a member of the task force and to identify relevant practitioners for inclusion as additional members;
- (2) Including representatives from Hawaii Neurological Society and the American College of Emergency Physicians as well as other stakeholders on the task force; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 172, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 172, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1344 Health on H.C.R. No. 216

The purpose of this measure is to improve outcomes for stroke patients by urging the Department of Health to convene a task force to establish a stroke system of care.

The American Heart Association/American Stroke Association and Healthcare Association of Hawaii testified in support of this measure. The Department of Health, Hawaii Pacific Health, and The Queen's Medical Center supported this measure with amendments.

Your Committee has amended this measure by:

- (1) Clarifying the role of the Healthcare Association of Hawaii to be represented through a member of the task force and to identify relevant practitioners for inclusion as additional members;
- (2) Including representatives from Hawaii Neurological Society and the American College of Emergency Physicians as well as other stakeholders on the task force; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 216, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 216, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1345 Health on H.R. No. 35

The purpose of this measure is to ensure a stable Advanced Practice Registered Nurse workforce to provide seamless, quality health care in the State by requesting the Department of Health, Department of Human Services, Department of Public Safety, Department of Commerce and Consumer Affairs, State Board of Nursing, Disability and Communication Access Board, and other state agencies to identify barriers in the statutes and administrative rules, specific to their respective departments, to the practice of Advanced Practice Registered Nurses.

The Board of Nursing; Hawaii Long Term Care Association; and the American Organization of Nurse Executives, Hawaii Chapter supported this measure. The University of Hawaii at Manoa School of Nursing & Dental Hygiene supported this measure with amendments. The Legislative Reference Bureau submitted comments.

Upon consideration, your Committee has amended this measure by:

- (1) Requesting that a draft report of the agencies' findings and recommendations, including any proposed legislation, and a certified copy of this measure be transmitted to the Governor;

- (2) Specifying that certified copies of this measure be sent to:
 - (A) The Director of Commerce and Consumer Affairs, rather than the Division Administrator of the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs; and
 - (B) The Director of Labor and Industrial Relations; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 35, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 35, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1346 Health on H.C.R. No. 53

The purpose of this measure is to ensure a stable Advanced Practice Registered Nurse workforce to provide seamless, quality health care in the State by requesting the Department of Health, Department of Human Services, Department of Public Safety, Department of Commerce and Consumer Affairs, State Board of Nursing, Disability and Communication Access Board, and other state agencies to identify barriers in the statutes and administrative rules, specific to their respective departments, to the practice of Advanced Practice Registered Nurses.

The Board of Nursing; Hawaii Long Term Care Association; Hawaii Association of Professional Nurses; Healthcare Association of Hawaii; American Organization of Nurse Executives, Hawaii Chapter; and several individuals supported this measure. The University of Hawaii at Manoa School of Nursing & Dental Hygiene, Hawaii State Center for Nursing, and several individuals supported this measure with amendments. The Legislative Reference Bureau and an individual submitted comments.

Upon consideration, your Committee has amended this measure by:

- (1) Requesting that a draft report of the agencies' findings and recommendations, including any proposed legislation, and a certified copy of this measure be transmitted to the Governor;
- (2) Specifying that certified copies of this measure be sent to:
 - (A) The Director of Commerce and Consumer Affairs, rather than the Division Administrator of the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs; and
 - (B) The Director of Labor and Industrial Relations; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 53, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 53, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1347 Health on H.R. No. 39

The purpose of this measure is to reduce air pollution in the State by requesting the Department of Health to develop an action plan to eliminate diesel cremator usage in the State within a two-year time frame.

An individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 39 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1348 Health on H.C.R. No. 54

The purpose of this measure is to reduce air pollution in the State by requesting the Department of Health to develop an action plan to eliminate diesel cremator usage in the State within a two-year time frame.

Several individuals supported this measure. An individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 54 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1349 Health on H.R. No. 60

The purpose of this measure is to address the prohibitive costs associated with respite service delivery and the lack of transportation to and from respite sites by requesting the Executive Office on Aging to:

- (1) Continue its research and investigation into timebanking as a sustainable and alternative currency system, to build social capital to enhance and strengthen Hawaii's respite system; and
- (2) Submit a report on its findings and recommendations, including any proposed legislation, to the Legislature prior to the 2014 Regular Session.

The Executive Office on Aging, Community Alliance for Mental Health, and United Self Help supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 60 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1350 Health on H.C.R. No. 76

The purpose of this measure is to address the prohibitive costs associated with respite service delivery and the lack of transportation to and from respite sites by requesting the Executive Office on Aging to:

- (1) Continue its research and investigation into timebanking as a sustainable and alternative currency system, to build social capital to enhance and strengthen Hawaii's respite system; and
- (2) Submit a report on its findings and recommendations, including any proposed legislation, to the Legislature prior to the 2014 Regular Session.

The Executive Office on Aging, Community Alliance for Mental Health, and United Self Help supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 76 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1351 Health on H.R. No. 161

The purpose of this measure is to enable the resumption of discussions aimed at resolving outstanding issues related to housing for individuals transitioning from institutionalization or residential treatment settings to independent living by reconvening the Clean and Sober Homes and Halfway Houses Task Force that was convened by the Director of Health in response to changes to the criminal justice system due to Acts 139 and 140, Session Laws of Hawaii 2012.

The Hawaii Substance Abuse Coalition supported this measure with amendments.

Upon consideration, your Committee has amended this measure by:

- (1) Changing the term "community home" to "community support home" to reflect generally-used language; and
- (2) Making a technical, nonsubstantive amendment for clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 161, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 161, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1352 Health on H.C.R. No. 200

The purpose of this measure is to enable the resumption of discussions aimed at resolving outstanding issues related to housing for individuals transitioning from institutionalization or residential treatment settings to independent living by reconvening the Clean and Sober Homes and Halfway Houses Task Force that was convened by the Director of Health in response to changes to the criminal justice system due to Acts 139 and 140, Session Laws of Hawaii 2012.

The Department of Health and Hawaii Substance Abuse Coalition supported this measure with amendments.

Upon consideration, your Committee has amended this measure by:

- (1) Changing the term "community home" to "community support home" to reflect generally-used language; and

- (2) Making a technical, nonsubstantive amendment for clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 200, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 200, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1353 Health on H.R. No. 117

The purpose of this measure is to raise awareness about the seriousness of brain injury by designating October 2013 as Brain Injury Awareness Month.

One concerned individual offered comments.

Your Committee has amended this measure by:

- (1) Designating March as Brain Injury Awareness Month, instead of October 2013; and
- (2) Amending its title to read: "DESIGNATING MARCH AS BRAIN INJURY AWARENESS MONTH".

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 117, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 117, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1354 Health on H.C.R. No. 148

The purpose of this measure is to raise awareness about the seriousness of brain injury by designating October 2013 as Brain Injury Awareness Month.

One concerned individual offered comments.

Your Committee has amended this measure by:

- (1) Designating March as Brain Injury Awareness Month, instead of October 2013; and
- (2) Amending its title to read: "DESIGNATING MARCH AS BRAIN INJURY AWARENESS MONTH".

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 148, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 148, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1355 Health on H.R. No. 162

The purpose of this measure is to ensure the quality of services provided by licensed psychologists by requesting the Department of Commerce and Consumer Affairs and the Hawaii Psychological Association to develop draft legislation establishing continuing education requirements for licensees.

The Board of Psychology, Hawai'i Psychological Association, and two concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 162 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1356 Health on H.C.R. No. 201

The purpose of this measure is to ensure the quality of services provided by licensed psychologists by requesting the Department of Commerce and Consumer Affairs and the Hawaii Psychological Association to develop draft legislation establishing continuing education requirements for licensees.

The Board of Psychology, Hawai'i Psychological Association, and three concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 201 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1357 Health on H.R. No. 160

The purpose of this measure is to ensure the quality of services provided by licensed marriage and family therapists by requesting the Department of Commerce and Consumer Affairs and the American Association for Marriage and Family Therapy: Hawaii Division to develop draft legislation establishing continuing education requirements for licenses.

Many concerned individuals testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 160 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1358 Health on H.C.R. No. 199

The purpose of this measure is to ensure the quality of services provided by licensed marriage and family therapists by requesting the Department of Commerce and Consumer Affairs and the American Association for Marriage and Family Therapy: Hawaii Division to develop draft legislation establishing continuing education requirements for licenses.

Many concerned individuals testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 199 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1359 Health on H.R. No. 79

The purpose of this measure is to reduce tobacco use and exposure to secondhand smoke on all University of Hawaii campuses and campus facilities by encouraging the University of Hawaii Administration to:

- (1) Prohibit smoking and the use of tobacco products by all persons on all campuses and campus facilities owned or operated by the University of Hawaii;
- (2) Implement policies to make all University of Hawaii campuses tobacco-free, including posting signage notifying all persons of the University of Hawaii's tobacco-free policy and carrying out a public information campaign that implements the policy; and
- (3) Carry out the provisions of Executive Policy E10.102(D), which calls upon University of Hawaii administrators to create and implement meaningful plans to discourage the initiation of tobacco product use and the transition from occasional to nicotine-dependent tobacco product use, and to assist the substantial number of tobacco product users who are trying to quit.

The American Heart Association, Coalition for a Tobacco-Free Hawaii, and American Cancer Society Cancer Action Network supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 79 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1360 Health on H.C.R. No. 103

The purpose of this measure is to reduce tobacco use and exposure to secondhand smoke on all University of Hawaii campuses and campus facilities by encouraging the University of Hawaii Administration to:

- (1) Prohibit smoking and the use of tobacco products by all persons on all campuses and campus facilities owned or operated by the University of Hawaii;
- (2) Implement policies to make all University of Hawaii campuses tobacco-free, including posting signage notifying all persons of the University of Hawaii's tobacco-free policy and carrying out a public information campaign that implements the policy; and
- (3) Carry out the provisions of Executive Policy E10.102(D), which calls upon University of Hawaii administrators to create and implement meaningful plans to discourage the initiation of tobacco product use and the transition from occasional to nicotine-dependent tobacco product use, and to assist the substantial number of tobacco product users who are trying to quit.

The American Heart Association, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, and two individuals supported this measure. The Department of Health supported the intent of this measure. Two individuals opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the

intent and purpose of H.C.R. No. 103 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1361 Health on H.R. No. 93

The purpose of this measure is to request the Department of Taxation to convene a working group to evaluate the feasibility of imposing a sales tax on non-essential food items, in lieu of the general excise tax.

The State Representative of the Fifth Representative District supported this measure. The Department of Taxation and Hawaii Food Industry Association submitted comments.

Your Committee has amended this measure by:

- (1) Adding a representative of the Hawaii Food Industry Association to the working group; and
- (2) Requesting that a certified copy of this measure be transmitted to the Executive Director of the Hawaii Food Industry Association.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 93, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 93, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1362 Health on H.C.R. No. 122

The purpose of this measure is to request the Department of Taxation to convene a working group to evaluate the feasibility of imposing a sales tax on non-essential food items, in lieu of the general excise tax.

The State Representative of the Fifth Representative District supported this measure. The Department of Health, Department of Taxation, and Hawaii Food Industry Association submitted comments.

Your Committee has amended this measure by:

- (1) Adding a representative of the Hawaii Food Industry Association to the working group; and
- (2) Requesting that a certified copy of this measure be transmitted to the Executive Director of the Hawaii Food Industry Association.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 122, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 122, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1363 Health on H.R. No. 62

The purpose of this measure is to urge the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to pay the TRICARE Reserve Select premium for eligible state and county employees who:

- (1) Are members of the National Guard and Reserves; and
- (2) Decline health insurance coverage through the Hawaii Employer-Union Health Benefits Trust Fund and instead opt for health insurance coverage through the federally-administered TRICARE Reserve Select.

The State Representative of the Thirty-Third Representative District supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1364 Health on H.C.R. No. 81

The purpose of this measure is to urge the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to pay the TRICARE Reserve Select premium for eligible state and county employees who:

- (1) Are members of the National Guard and Reserves; and
- (2) Decline health insurance coverage through the Hawaii Employer-Union Health Benefits Trust Fund and instead opt for health

insurance coverage through the federally-administered TRICARE Reserve Select.

The State Representative of the Thirty-Third Representative District supported this measure. The Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 81 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1365 Agriculture on H.C.R. No. 102

The purpose of this measure is to support agriculture by encouraging the Department of Agriculture to implement differentiated toll rates for water usage throughout the State based on the type of irrigation system used and class of user, starting with the Hamakua District irrigation system.

Hawaii Cattlemen's Council, Inc.; 4 Ag Hawaii; Hawaii Aquaculture and Aquaponics Association; Wong's Meat Market, Ltd.; Ponoholo Ranch, Ltd.; Ulupono Initiative; and a few individuals testified in support of this measure. The Department of Agriculture opposed this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 102 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1366 Human Services/Health on H.R. No. 116

The purpose of this measure is to support access to medical care by urging the expansion of Medicaid coverage for low income Hawaii residents with income between one hundred thirty-three percent and two hundred percent of the Federal Poverty Level.

The Community Alliance for Mental Health and United Self Help, AlohaCare, International Longshore and Warehouse Union Local 142, and Hawaii Primary Care Association testified in support of this measure. The Department of Human Services commented on the measure.

Your Committees have amended this measure by:

- (1) Urging consideration in seeking viable options to providing insurance coverage rather than only considering the expansion of the Medicaid program;
- (2) Amending its title to read: "URGING CONSIDERATION IN SEEKING A VIABLE SOLUTION TO PROVIDE INSURANCE COVERAGE FOR HAWAII RESIDENTS WITH INCOME BETWEEN ONE HUNDRED THIRTY-THREE PERCENT AND TWO HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL";
- (3) Changing the language regarding federal government support for Medicaid expansion from one hundred percent to two hundred percent; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 116, as amended herein, and recommend that it be referred to the Committee on Consumer Protection & Commerce, in the form attached hereto as H.R. No. 116, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Cheape and Fukumoto.

SCRep. 1367 Human Services/Health on H.C.R. No. 147

The purpose of this measure is to support access to medical care by urging the expansion of Medicaid coverage for low income Hawaii residents with income between one hundred thirty-three percent and two hundred percent of the Federal Poverty Level

The Community Alliance for Mental Health and United Self Help, AlohaCare, International Longshore and Warehouse Union Local 142, and Hawaii Primary Care Association testified in support of this measure. The Department of Human Services commented on the measure.

Your Committees have amended this measure by:

- (1) Urging consideration in seeking viable options to providing insurance coverage rather than only considering the expansion of the Medicaid program;
- (2) Amending its title to read: "URGING CONSIDERATION IN SEEKING A VIABLE SOLUTION TO PROVIDE INSURANCE COVERAGE FOR HAWAII RESIDENTS WITH INCOME BETWEEN ONE HUNDRED THIRTY-THREE PERCENT AND TWO HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL";
- (3) Changing the language regarding federal government support for Medicaid expansion from one hundred percent to two hundred percent; and

- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 147, as amended herein, and recommend that it be referred to the Committee on Consumer Protection & Commerce, in the form attached hereto as H.C.R. No. 147, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Cheape and Fukumoto.

SCRep. 1368 Agriculture/Energy & Environmental Protection on H.R. No. 84

The purpose of this measure is to support the agricultural industry by encouraging the Public Utilities Commission to establish preferential rates for the purchase of energy used or consumed for agricultural activities, including eligible agricultural activities of the Department of Agriculture, in order to lower the costs in the business of agriculture.

4 Ag Hawaii; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; Hawaii Farm Bureau Federation; and one concerned individual supported this measure. The Public Utilities Commission opposed this measure. The Department of Agriculture offered comments.

Your Committees have amended this measure by:

- (1) Removing provisions urging the Public Utilities Commission to establish and determine criteria for preferential rates for agricultural activities including eligible activities of the Department of Agriculture;
- (2) Removing provisions that specified that the provision of preferential rates be based on a decision and order by the Public Utilities Commission on an application by a public utility that includes a request and documentation by the agricultural ratepayer;
- (3) Amending its title to reflect amended content and to read: "URGING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH ENERGY EFFICIENCY AND CONSERVATION PROGRAMS AND APPROPRIATE RATE DESIGN INCENTIVES FOR ELECTRICITY USED OR CONSUMED FOR AGRICULTURAL ACTIVITIES";
- (4) Inserting new provisions to urge the Public Utilities Commission to work with the Public Benefit Fee Administrator and electric utility providers to establish energy efficiency and conservation programs and rate design incentives for energy used or consumed for agricultural activities, including eligible activities of the Department of Agriculture;
- (5) Adding the Program Director of the Public Benefits Fee Administrator and the President of each electric utility company operating in the state to the list of persons who shall receive a copy of this measure; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy & Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 84, as amended herein, and recommend that it be referred to the Committee on Consumer Protection & Commerce, in the form attached hereto as H.R. No. 84, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Cullen and Ward.

SCRep. 1369 Agriculture/Energy & Environmental Protection on H.C.R. No. 113

The purpose of this measure is to support the agricultural industry by encouraging the Public Utilities Commission to establish preferential rates for the purchase of energy used or consumed for agricultural activities, including eligible agricultural activities of the Department of Agriculture, in order to lower the costs in the business of agriculture.

4 Ag Hawaii; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; Hawaii Farm Bureau Federation; Hawaii Aquaculture and Aquaponics Association; Wong's Meat Market, Ltd.; Ponocho Ranch, Ltd.; and a few concerned individuals supported this measure. The Public Utilities Commission opposed this measure. The Department of Agriculture and Life of the Land offered comments.

Your Committees have amended this measure by:

- (1) Removing provisions urging the Public Utilities Commission to establish and determine criteria for preferential rates for agricultural activities including eligible activities of the Department of Agriculture;
- (2) Removing provisions that specified that the provision of preferential rates be based on a decision and order by the Public Utilities Commission on an application by a public utility that includes a request and documentation by the agricultural ratepayer;
- (3) Amending its title to reflect amended content and to read: "URGING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH ENERGY EFFICIENCY AND CONSERVATION PROGRAMS AND APPROPRIATE RATE DESIGN INCENTIVES FOR ELECTRICITY USED OR CONSUMED FOR AGRICULTURAL ACTIVITIES";
- (4) Inserting new provisions to urge the Public Utilities Commission to work with the Public Benefit Fee Administrator and electric utility providers to establish energy efficiency and conservation programs and rate design incentives for energy used or consumed for agricultural activities, including eligible activities of the Department of Agriculture;
- (5) Adding the Program Director of the Public Benefits Fee Administrator and the President of each electric utility company operating in

the state to the list of persons who shall receive a copy of this measure; and

- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy & Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 113, as amended herein, and recommend that it be referred to the Committee on Consumer Protection & Commerce, in the form attached hereto as H.C.R. No. 113, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Cullen and Ward.

SCRep. 1370 Education on H.R. No. 74

The purpose of this measure is to improve the efficiency and effectiveness of school food services by requiring the Department of Education to undertake a system-wide review of the operational and fiscal practices of the School Food Services Branch.

The Department of Education supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 74, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 74, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1371 Education on H.C.R. No. 97

The purpose of this measure is to improve the efficiency and effectiveness of school food services by requiring the Department of Education to undertake a systemwide review of the operational and fiscal practices of the School Food Services Branch.

The Department of Education supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 97, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1372 Education on H.C.R. No. 92

The purpose of this measure is to help increase access to world languages for Hawaii's students and encourage the development of Pacific-Asia relations by requesting the Department of Education to establish a Mandarin Chinese language curriculum in public high schools to be available for the 2015-2016 academic school year.

Associated Chinese University Women and several concerned individuals supported this measure. The Department of Education opposed this measure. The United States Director of the University of Hawaii Confucius Institute and three concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE DEPARTMENT OF EDUCATION TO EXPAND THE MANDARIN CHINESE LANGUAGE CURRICULUM IN PUBLIC HIGH SCHOOLS";
- (2) Requesting the Department to expand, rather than establish, the Mandarin Chinese Language curriculum in public high schools;
- (3) Urging the Department to cooperate with the University of Hawaii and the University's Confucius Institute to expand the Mandarin Chinese language curriculum; and
- (4) Making technical, nonsubstantive amendments for consistency and accuracy.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 92, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 92, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1373 Education on H.R. No. 14

The purpose of this measure is to determine if Hawaii's students will benefit from having a high school boxing program within the public high school system by requiring the Department of Education to meet with interested parties to examine the feasibility of establishing a boxing pilot program in at

least one of Hawaii's public high schools.

The Hawaii State Boxing Commission, USA Boxing, Amateur Boxing of Hawaii, Kekoapono Boxing Club, and several concerned individuals supported this measure. The Department of Education provided comments.

Your Committee has amended this measure by removing the requirement that the Department of Education report back to the Legislature.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 14, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 14, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1374 Education on H.C.R. No. 30

The purpose of this measure is to determine if Hawaii's students will benefit from having a high school boxing program within the public high school system by requiring the Department of Education to meet with interested parties to examine the feasibility of establishing a boxing pilot program in at least one of Hawaii's public high schools.

The Hawaii State Boxing Commission, USA Boxing, Amateur Boxing of Hawaii, Kekoapono Boxing Club, and several concerned individuals supported this measure. The Department of Education provided comments.

Your Committee has amended this measure by removing the requirement that the Department of Education report back to the Legislature.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 30, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1375 Education on H.R. No. 97

The purpose of this measure is to support the State's effort to renovate and build twenty-first century schools by requesting the Board of Education to review policy relating to acreage guidelines. This measure also requires the Board of Education to report its recommendations to the Legislature.

The Department of Education supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 97 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1376 Education on H.C.R. No. 126

The purpose of this measure is to support the State's effort to renovate and build twenty-first century schools by requesting the Board of Education to review policy relating to acreage guidelines. This measure also requires the Board of Education to report its recommendations to the Legislature.

The Department of Education supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 126 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1377 Consumer Protection & Commerce on H.R. No. 69

The purpose of this measure is to ensure the proper collection of taxes by requesting that the Department of Taxation in collaboration with the Department of Commerce and Consumer Affairs convene a working group to determine an effective and efficient procedure to ensure that out-of-state design professionals practicing in Hawaii are paying appropriate state taxes.

The Department of Taxation provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 69 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1378 Consumer Protection & Commerce on H.C.R. No. 87

The purpose of this measure is to ensure the proper collection of taxes by requesting that the Department of Taxation in collaboration with the Department of Commerce and Consumer Affairs convene a working group to determine an effective and efficient procedure to ensure that out-of-state design professionals practicing in Hawaii are paying appropriate state taxes.

The Department of Taxation provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 87 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1379 Consumer Protection & Commerce on H.R. No. 83

The purpose of this measure is to increase government efficiency while continuing to provide consumers with protection by requesting the Insurance Commissioner to convene a working group to explore the use of electronic transmission of insurance notices and documents.

State Farm Mutual Automobile Insurance Company and Property Casualty Insurers Association of America testified in support of this measure. The Department of Commerce and Consumer Affairs and Department of Taxation provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 83 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1380 Consumer Protection & Commerce on H.C.R. No. 112

The purpose of this measure is to increase government efficiency while continuing to provide consumers with protection by requesting the Insurance Commissioner to convene a working group to explore the use of electronic transmission of insurance notices and documents.

State Farm Mutual Automobile Insurance Company and Property Casualty Insurers Association of America testified in support of this measure. The Department of Commerce and Consumer Affairs and Department of Taxation provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 112 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1381 Consumer Protection & Commerce on H.R. No. 29

The purpose of this measure is to help charitable organizations fundraise by requesting that the Attorney General examine the possibility of permitting the conduct of fundraising raffles by charitable organizations.

An individual testified in support of this measure. The Department of the Attorney General, Hawaii Coalition Against Legalized Gambling, League of Women Voters, and a concerned individual testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision recognizing fundraising raffles conducted by charitable organizations as a permitted fundraising effort;
- (2) Requesting the Attorney General to identify and analyze permissible and unlawful methods of fundraising for charitable organizations instead of examining the possibility of allowing fundraising raffles by charitable organizations;
- (3) Amending its title to read: "REQUESTING THE DEPARTMENT OF THE ATTORNEY GENERAL TO IDENTIFY AND ANALYZE PERMISSIBLE AND UNLAWFUL METHODS OF FUNDRAISING FOR CHARITABLE ORGANIZATIONS";
- (4) Making amendments to conform and support the request expressed in its amended title; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 29, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.R. No. 29, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.
(Representative Thielen voted no.)

SCRep. 1382 Consumer Protection & Commerce on H.R. No. 108

The purpose of this measure is to protect the public interest in matters dealing with the regulation of commercial and investment banking by

urging the United States Congress to restore various provisions of the Glass-Steagall Act of 1933 or enact similar legislation.

Two concerned individuals supported this measure. The Department of Commerce and Consumer Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 108 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1383 Consumer Protection & Commerce on H.C.R. No. 138

The purpose of this measure is to protect the public interest in matters dealing with the regulation of commercial and investment banking by urging the United States Congress to restore various provisions of the Glass-Steagall Act of 1933 or enact similar legislation.

Two concerned individuals supported this measure. The Department of Commerce and Consumer Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 138 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1384 Agriculture on H.R. No. 149

The purpose of this measure is to promote food safety and public health by requesting the United States Congress to support legislation requiring the United States Department of Agriculture and Food and Drug Administration to come up with a nation-wide system for monitoring, labeling, and enforcing the labeling of all genetically engineered foods.

The Department of Agriculture, Hawai'i Oasis, Foundups Corp., and numerous individuals submitted testimony in support of this measure. Several individuals offered comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 149 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola, Choy, Tokioka and Ward.

SCRep. 1385 Agriculture on H.C.R. No. 206

The purpose of this measure is to encourage economic diversification by requesting the Board of Agriculture to convene an Agricultural Tourism Task Force to examine the feasibility of:

- (1) Authorizing agricultural tourism activities on agricultural lands; and
- (2) Exempting farmers and cattlemen from county laws relating to the construction of buildings or structures that are used for agricultural tourism activities.

One concerned individual submitted testimony in opposition to this measure. The Department of Agriculture offered comments.

Your Committee has amended this measure by clarifying that agricultural tourism includes farmer labor and educational exchanges.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 206, as amended herein, and recommends that it be referred to the Committee on Tourism in the form attached hereto as H.C.R. No. 206, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Choy, Tokioka and Ward.

SCRep. 1386 Agriculture on H.R. No. 181

The purpose of this measure is to control the introduction of invasive species to Hawaii through air travel by encouraging the federal government to review laws that currently allow for agricultural commodities arriving from international destinations to evade inspection in Hawaii, require stringent quarantine for Hawaii's agricultural goods exported to the mainland, and prevent airport revenues to be used for state agricultural inspections.

The Department of Agriculture, Coordinating Group on Alien Pest Species, and Nature Conservancy of Hawaii supported this measure.

Your Committee has amended this measure by:

- (1) Amending the title to read "URGING THE PRESIDENT OF THE UNITED STATES AND THE UNITED STATES CONGRESS TO REVIEW FEDERAL LAWS PERTAINING TO THE STATE INSPECTION OF AGRICULTURAL COMMODITIES ARRIVING INTO THE STATE OF HAWAII FROM INTERNATIONAL DESTINATIONS AND THE USE OF AIRPORT REVENUES FOR AGRICULTURAL INSPECTIONS";

- (2) Adding a provision emphasizing that Hawaii has the most endangered species of any state in the nation, which is exacerbated by unregulated invasive species entering the state;
- (3) Clarifying that the federal government asserts that the State does not have the authority to inspect commodities arriving from international destinations;
- (4) Clarifying that increased pest infestation not only poses a risk to the expansion of Hawaii's agricultural industry but also to existing crops;
- (5) Removing provisions requesting that the federal government review the impact of federal laws pertaining to the mandatory inspection of agricultural goods exported from Hawaii to the continental United States;
- (6) Requesting the federal government to either clarify that the State of Hawaii has the authority to inspect incoming commodities from international destinations or change the law to provide such authority; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 181, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 181, H.D. 1.

Signed by all members of the Committee.

SCRep. 1387 Energy & Environmental Protection/Health on H.R. No. 100

The purpose of this measure is to request that the Director of Health establish a task force to study the effects of atrazine on human health.

The Surfrider Foundation, Farm to Keiki, Babes Against Biotech, GMO Free Maui, Hawaii SEED, and numerous individuals provided testimony in support of this measure. Syngenta Hawaii, Hawaii Agriculture Research Center, and the Hawaii Farm Bureau Federation provided testimony in opposition to this measure.

Your Committees note that the Department of Health stated that it has limited data on air, surface water, and nearshore effects of atrazine and other pesticides used in Hawaii.

Accordingly, your Committees have amended this measure by:

- (1) Amending its title to read "REQUESTING THE DIRECTOR OF HEALTH TO DEVELOP PARTNERSHIPS TO ADDRESS THE DATA GAP ON AIR, SURFACE WATER, AND NEARSHORE EFFECTS OF ATRAZINE";
- (2) Deleting the provisions that request the Director of Health to establish a task force to study the effects of atrazine on human health and that establish membership and procedures for the task force;
- (3) Inserting new provisions requesting the Director of Health to develop partnerships to address the gap in data on air, surface water, and nearshore effects of atrazine;
- (4) Amending reporting requirements to request that the Director of Health include reports of progress in the requested report to Legislature;
- (5) Specifying that only the Director of Health receive a certified copy of this measure; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 100, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 100, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Hanohano and Cheape.

SCRep. 1388 Energy & Environmental Protection/Health on H.C.R. No. 129

The purpose of this measure is to request that the Director of Health establish a task force to study the effects of atrazine on human health.

Hawaii SEED, GMO Free Kauai, Babes Against Biotech, Ohana O Kaua'i, and numerous individuals provided testimony in support of this measure. Syngenta Hawaii, Hawaii Agriculture Research Center, and Hawaii Farm Bureau Federation provided testimony in opposition to this measure. The Department of Agriculture, Department of Health, and a few individuals provided comments on this measure.

Your Committees note that the Department of Health stated that it has limited data on air, surface water, and nearshore effects of atrazine and other pesticides used in Hawaii.

Accordingly, your Committees have amended this measure by:

- (1) Amending its title to read "REQUESTING THE DIRECTOR OF HEALTH TO DEVELOP PARTNERSHIPS TO ADDRESS THE DATA GAP ON AIR, SURFACE WATER, AND NEARSHORE EFFECTS OF ATRAZINE";
- (2) Deleting the provisions that request the Director of Health to establish a task force to study the effects of atrazine on human health and that establish membership and procedures for the task force;
- (3) Inserting new provisions requesting the Director of Health to develop partnerships to address the gap in data on air, surface water, and nearshore effects of atrazine;
- (4) Amending reporting requirements to request that the Director of Health include reports of progress in the requested report to Legislature;
- (5) Specifying that only the Director of Health receive a certified copy of this measure; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 129, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 129, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Hanohano and Cheape.

SCRep. 1389 Energy & Environmental Protection on H.C.R. No. 99

The purpose of this measure, as received by your Committee, is to request the Public Utilities Commission to have the Public Benefits Fee Administrator consider investing in marketing and offering rebates to encourage the proper maintenance of solar water heating systems and to request the Public Utilities Commission to report to the Legislature on findings and recommendations resulting from the investigation.

The Sierra Club, Hawaii Chapter and an individual provided testimony in support of this measure. The Public Utilities Commission provided comments on this measure.

For the purposes of a public hearing on this measure, your Committee circulated a Proposed H.C.R. 99 H.D.1 and notified the public that it would be accepting testimony on the proposal which amended the original measure by substituting language that:

- (1) Requests that the Legislature convene a Task Force on Energy Security that shall identify:
 - (A) Barriers to a potential sale of the Tesoro refinery and how to overcome those barriers;
 - (B) Concerns that potential buyers may have in entering the refinery industry in Hawaii and recommending strategies on how to address those concerns;
 - (C) Incentives that a qualified buyer of refinery assets may seek in pursuing an investment and the feasibility of offering such incentives;
 - (D) Potential alternative green energy uses of the refinery assets, including conversion to green diesel fuel production; and
 - (E) Incentives that state agencies may provide to encourage Tesoro to actively pursue opportunities to sell the refinery to a qualified operator;
- (2) Specifies the membership of and administrative provisions related to the Task Force; and
- (3) Requests that the Task Force submit preliminary, interim, and final reports to the Legislature according to a specified timeline.

The International Longshore and Warehouse Union, Local 142 provided testimony in support of the proposed measure. The Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Department of Business, Economic Development, and Tourism provided comments on the proposed measure.

Your Committee has considered the merits of both H.C.R. No. 99, as received by your Committee, and the proposed draft. Upon careful consideration, your Committee has adopted the proposed draft.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 99, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 99, H.D. 1.

Signed by all members of the Committee except Representatives Cullen and Hanohano.
(Representative Coffman voted no.)

SCRep. 1390 Water & Land on H.C.R. No. 181

The purpose of this measure is to pursue new and innovative means of generating revenue for the State by requesting that the Legislative Reference Bureau complete a study on possible revenue generating activities on state-owned park lands located at Sand Island.

Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee notes that the Legislative Reference Bureau does not have the capacity to adequately complete a study as requested by this measure. Further, serious institutional and contractual barriers to commercial activities as contemplated by this measure exist. Therefore, your Committee has amended this measure by substituting new language that:

- (1) Amends its title to reflect the amended content;
- (2) Requests that the Department of Land and Natural Resources submit a report to the Legislature on current and potential revenue generating activities on state-owned land at Sand Island;
- (3) Specifies the content of the requested report; and
- (4) Makes technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 181, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 181, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Lee.

SCRep. 1391 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 91

The purpose of this measure is to request the Administrator of the Division of Aquatic Resources of the Department of Land and Natural Resources to convene a marine game fishing task force to develop a regulatory scheme for licensure for marine game fishing.

The Department of Land and Natural Resources provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending its title to reflect the measure's intent that the Department of Land and Natural Resources convene a task force to develop a proposed regulatory scheme for requiring licensure for marine game fishing;
- (2) Requesting the Chairperson of the Board of Land and Natural Resources to designate an individual to convene the task force, serve as its chairperson, and submit a report of its findings and recommendations to the Legislature, rather than assigning those duties to the Administrator of the Division of Aquatic Resources;
- (3) Requesting that the Chairperson of the Board of Land and Natural Resources invite interested parties, including native Hawaiian groups, to participate on the task force instead of specifying its participants; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that there are concerns that fishing is a way of life for many, including children under the age of 12, and a regulatory scheme requiring persons to obtain a permit for fishing may interrupt such a way of life. Your Committee further notes that the regulatory scheme proposed by this measure would not apply to fishing for freshwater fish.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 91, as amended herein, and recommends that it be referred to the Committee on Economic Development & Business in the form attached hereto as H.C.R. No. 91, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 1392 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 132

The purpose of this measure is to urge the United States President and Congress to agree upon an appropriations bill that will address the current fiscal crisis.

This measure also requests that the appropriations bill mitigate the expected funding cuts on the military and the United States Department of Defense civilian employees in Hawaii and the nation.

Prior to the public hearing, a proposed draft was circulated for public review and comment.

The purpose of the H.R. No. 132, H.D. 1 (Proposed) is to acknowledge and express the Legislature's gratitude for the Aegis Ballistic Missile Defense System and the Ground-Based Midcourse Defense System in protecting Hawaii and the nation.

The Chamber of Commerce of Hawaii testified in support of the measure.

Your Committee finds that the recent ballistic missile-launch by the Democratic People's Republic of Korea further demonstrates the need for a missile defense system to protect Hawaii and the nation. The Aegis Ballistic Missile Defense System is currently being developed and tested on Kauai and this measure expresses the Legislature's support of the system and need for the United States to fully develop the system so that it can protect the State and the nation from foreign missile attacks.

Your Committee has amended this measure by replacing its contents with the contents of the proposed draft of H.R. No. 132, H.D. 1 and amending its title to reflect the amended measure's new purpose.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 132, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 132, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1393 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 164

The purpose of this measure is to urge the United States President and Congress to agree upon an appropriations bill that will address the current fiscal crisis.

This measure also requests that the appropriations bill mitigate the expected funding cuts on the military and the United States Department of Defense civilian employees in Hawaii and the nation.

Prior to the public hearing, a proposed draft was circulated for public review and comment.

The purpose of the H.C.R. No. 164, H.D. 1 (Proposed) is to acknowledge and express the Legislature's gratitude for the Aegis Ballistic Missile Defense System and the Ground-Based Midcourse Defense System in protecting Hawaii and the nation.

The Chamber of Commerce of Hawaii testified in support of the measure.

Your Committee finds that the recent ballistic missile-launch by the Democratic People's Republic of Korea further demonstrates the need for a missile defense system to protect Hawaii and the nation. The Aegis Ballistic Missile Defense System is currently being developed and tested on Kauai and this measure expresses the Legislature's support of the system and need for the United States to fully develop the system so that it can protect the State and the nation from foreign missile attacks.

Your Committee has amended this measure by replacing its contents with the contents of the proposed draft of H.C.R. No. 164, H.D. 1 and amending its title to reflect the amended measure's new purpose.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 164, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 164, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1394 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 60

The purpose of this measure is to encourage the strengthening of the relationship between Hawaii and Taiwan.

Prior to conducting a hearing on the measure, your Committee circulated a copy of a proposed H.D. 1 of the measure that deletes its contents and replaces it with language that changes its title and:

- (1) Requests the state Department of Defense to establish a veteran women services coordinator position within the Office of Veterans Services;
- (2) Requests the veteran women services coordinator to:
 - (A) Gather and distribute information about services available to women military members and veterans;
 - (B) Educate counselors within the Office of Veterans Services concerning the services available to women veterans; and
 - (C) Attend national conferences and participate in veteran services workshops to ensure that women veterans have a knowledgeable contact person who is able to direct women veterans to appropriate resources; and
- (3) Requests the Office of Veterans Services to appoint as the veteran women services coordinator, a veteran or present or released member of the Hawaii Air or Army National Guard, who was discharged under honorable conditions.

Your Committee received testimony in support of the proposed draft from the Office of Veterans Services, the Hawaii Military Women's Task Force, and one individual.

Your Committee finds that establishing a veteran women services coordinator will augment services provided by the Office of Veteran Services and assist women veterans in getting help to meet their unique needs as they reenter civilian life.

Your Committee has amended this measure by adopting the proposed draft.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 60, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 60, H.D. 1.

Signed by all members of the Committee except Representatives Choy, Ohno and McDermott.

SCRep. 1395 Education/Higher Education on H.C.R. No. 95

The purpose of this measure is to assist students with dyslexia and other reading difficulties by requesting the Board of Education and Department of Education to evaluate the *Comprehensive Plan for Teaching Reading in Hawaii Schools*, produced by the working group created pursuant to Senate Concurrent Resolution No. 110, Regular Session of 2010, and to move forward with appropriate implementation.

The Maui Police Department, Learning Disabilities Association of Hawaii, Hawaii Branch of the International Dyslexia Association, Hawaii Association of Independent Schools, and several concerned individuals supported this measure. The Special Education Advisory Council supported the intent of this measure. The Department of Education opposed this measure. The Hawaii Teacher Standards Board and two concerned individuals provided comments.

Your Committees have amended this measure by:

- (1) Amending its title to read: "REQUESTING THE BOARD OF EDUCATION AND DEPARTMENT OF EDUCATION TO INCORPORATE THE COMPREHENSIVE PLAN FOR TEACHING READING IN HAWAII SCHOOLS";
- (2) Requesting the Board of Education and Department of Education to incorporate, rather than evaluate and implement, the *Comprehensive Plan for Teaching Reading in Hawaii Schools*;
- (3) Deleting the specific items that the Board of Education and Department of Education were requested to evaluate in accordance with the *Comprehensive Plan*;
- (4) Deleting the list of specific items that the Department of Education was requested to include in its report to the Legislature; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 95, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 95, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1396 Education on H.R. No. 43

The purpose of this measure is for the Board of Education and the Department of Education to continue collaborating with family and community organizations to update and implement statewide policies for family-school partnerships. This measure also requires that the Board of Education and the Department of Education report their findings and recommendations to the Legislature.

The Department of Education, the State Council on Developmental Disabilities, the Special Education Advisory Council, the Hui for Excellence in Education, and the Family Voices of Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 43 and recommends its adoption.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1397 Education on H.C.R. No. 57

The purpose of this measure is for the Board of Education and the Department of Education to continue collaborating with family and community organizations to update and implement statewide policies for family-school partnerships. This measure also requires that the Board of Education and the Department of Education report their findings and recommendations to the Legislature.

The Department of Education, the State Council on Developmental Disabilities, the Special Education Advisory Council, the Hui for Excellence in Education, and the Family Voices of Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 57 and recommends its adoption.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1398 Education on H.C.R. No. 178

The purpose of this measure is to improve sustainability education in Hawaii by requesting the Board of Education to incorporate sustainability education into the science curriculum of public schools.

The County of Hawaii Office of the Mayor, the Cloud Institute for Sustainability Education, the Maui School Garden Network, the Sustainable Hawaii Youth Leadership Initiative, the Kohala Center, and numerous concerned individuals supported this measure. The Office of the Chancellor, University of Hawaii at Hilo supported the intent of the measure. The Department of Education and a concerned individual opposed this measure.

Your committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 178, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 178, H.D. 1.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1399 Judiciary on S.B. No. 827

The purpose of this measure is to ensure the integrity of the elections process by including a candidate physically handling or possessing a voter registration form, request for absentee ballot form, polling place ballot, or absentee ballot of another person before or during the election in the list of actions that constitute misdemeanor election offenses.

The Office of Elections and Department of the Prosecuting Attorney of the City and County of Honolulu testified in support of the measure. The Libertarian Party of Hawaii testified in opposition to the bill. The League of Women Voters of Hawaii and IMUAlliance provided comments.

Your Committee has amended this measure by deleting its contents and replacing them with the provisions of House Bill No. 1027, H.D. 1. As amended, this measure:

- (1) Provides that ballots cast in special elections conducted by mail are subject to the same voter assistance and election fraud provisions;
- (2) Specifies that voters requiring assistance to vote at a polling place or by absentee ballot may be given assistance by a person of the voter's choice, except the voter's employer or agent of that employer, agent of the voter's labor union, or any candidate that is listed on the ballot;
- (3) Clarifies that assistance given by a voter's employer or the employer's agent, agent of the voter's labor union, or candidate is prohibited by this measure if given in person, while written or oral instructions delivered via telephone, electronic means, or mail is not prohibited conduct;
- (4) Specifies that a violation of the voter assistance law by a voter's employer or employer's agent, agent of the voter's labor union, or any candidate that is listed on the ballot shall constitute election fraud;
- (5) Requires that absentee voters affirm by signature that their ballot was completed without prohibited assistance;
- (6) Requires that absentee ballots contain information regarding election fraud, voter fraud, and related penalties;
- (7) Clarifies that prohibited assistance in completing a ballot constitutes the offense of election fraud; and
- (8) Becomes effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 827, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 827, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.

SCRep. 1400 Judiciary on S.B. No. 472

The purpose of this measure, as it was received by your Committee, is to add a section to the Uniform Controlled Substances Act, Chapter 329, Hawaii Revised Statutes, to make the intentional or knowing possession of one ounce or less of marijuana a civil violation, subject to a fine of \$1,000.

The Progressive Democrats of Hawaii; Americans for Democratic Action, Hawaii; Americans for Safe Access, Big Island Chapter; and one concerned individual testified in support of this measure as received by your Committee. The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, Maui Police Department, Weed and Seed Hawaii, Plumbers and Fitters Local 675, Coalition for a Drug-Free Hawaii, and several concerned individuals testified in opposition to the bill as received by your Committee. The Office of the Public Defender, Libertarian Party of Hawaii, Mothers Against Drunk Driving, and several concerned individuals submitted comments on the bill as received by your Committee.

For the purposes of a public hearing on this bill, your Committee circulated a Proposed S.B. No. 472 S.D. 1, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the Proposed Draft, which among other things:

- (1) Expands the state of mind element for the possession of marijuana to include reckless possession;
- (2) Decreases the amount in possession subject to a civil violation from one ounce or less to 20 grams or less;
- (3) Specifies that only persons 18 years and older will be subject to civil violations for the possession of 20 grams or less of marijuana;
- (4) Decreases the fine amount for a civil violation for the possession of marijuana from \$1,000 to \$100;
- (5) Creates a right of action and civil liability against a person 18 years of age or older who sells, furnishes, or provides marijuana to a minor, or owns, occupies, or controls the premises on which marijuana is used or consumed by a minor and knowingly allows minors to use or consume marijuana on the premises, for injuries caused by the minor while intoxicated by marijuana;

- (6) Amending sections of the Penal Code relating to promoting a detrimental drug to specify that:
 - (A) The possession of more than 426 grams or the distribution of more than 20 grams of marijuana constitutes promoting a detrimental drug in the first degree;
 - (B) The possession of more than 200 grams of marijuana constitutes promoting a detrimental substance in the second degree; and
 - (C) The possession of more than 20 grams of marijuana constitutes promoting a detrimental substance in the third degree;
- (7) For the purposes of the offense of promoting a controlled substance in, on, or near schools, school vehicles, and public parks and housing projects, provides that possession of 20 grams or less of marijuana shall not constitute possession with intent to distribute;
- (8) Clarifies that the offense of promoting intoxicating compounds covers a person who knowingly sells or offers for sale, delivers, or gives marijuana to a minor; and
- (9) Makes various conforming amendments to statutes to reflect the establishment of the civil violation for possessing marijuana of 20 grams or less.

The Progressive Democrats of Hawaii; Americans for Democratic Action, Hawaii; Americans for Safe Access, Big Island Chapter; American Civil Liberties Union of Hawaii; Drug Policy Action Group; Community Alliance on Prisons; Hardknocks Incorporated; National Organization for the Reform of Marijuana Laws; and numerous individuals submitted testimony in support of the Proposed Draft.

The Department of the Attorney General; Department of Education; Hawaii Public Housing Authority; Department of Public Safety; Department of the Prosecuting Attorney of the City and County of Honolulu; Honolulu Police Department; Kauai Police Department; Hawaii Police Department; Department of the Prosecuting Attorney, County of Maui; Plumbers and Fitters Local 675; Na Keiki Mauloa; Delta Construction Corporation; and numerous concerned individuals submitted testimony in opposition to the Proposed Draft. The Office of the Public Defender, IMUAlliance, Libertarian Party of Hawaii, and several concerned individuals submitted comments on the Proposed Draft.

Your Committee considered the merits of both S.B. No. 472, S.D. 1, as received by your Committee, and the Proposed Draft, and after careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Adding a purpose section to reflect that possession in any amount and use of marijuana by minors will remain prohibited activities with criminal sanctions, because the Legislature finds that there is evidence that young adolescent brains are more vulnerable to toxic insult and minors are more adversely affected by marijuana use;
- (2) Adding a provision that a minor adjudicated for possession of any amount of marijuana shall have the minor's driver's license suspended for one year;
- (3) Deleting conforming amendments made to the offense of promoting a controlled substance in, on, or near schools, school vehicles, public parks, or public housing projects or complexes;
- (4) Clarifying that possessing:
 - (A) An amount of more than 400 grams of marijuana constitutes promoting a detrimental drug in the first degree;
 - (B) An amount between 20 to 400 grams of marijuana constitutes promoting a detrimental drug in the second degree; and
 - (C) Any amount up to 20 grams by a minor constitutes promoting a detrimental drug in the third degree;
- (5) Changing the effective date to be effective upon its approval; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 472, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 472, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla and Carroll.
(Representative McDermott voted no.)

SCRep. 1401 Judiciary on H.C.R. No. 10

The purpose of this measure is to request the United States Congress to propose a constitutional amendment to overturn the United States Supreme Court's holding relating to corporate independent expenditures in *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010).

The Hawaii Laborers' Union, IMUA Alliance, and several concerned individuals testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 10, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 10, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.
(Representative McDermott voted no.)

SCRep. 1402 Energy & Environmental Protection on H.R. No. 173

The purpose of this measure to urge the Governor to explore opportunities for foreign direct investments from the Republic of Korea for the deployment of proven renewable energy technologies, such as waste-to-energy systems developed by Korean companies.

HGE Korea Industrial Co., Ltd. provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 173 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1403 Energy & Environmental Protection on H.C.R. No. 239

The purpose of this measure to urge the Governor to explore opportunities for foreign direct investments from the Republic of Korea for the deployment of proven renewable energy technologies, such as waste-to-energy systems developed by Korean companies.

HGE Korea Industrial Co., Ltd. provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 239 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1404 Finance on S.B. No. 326

The purpose of this measure is to promote food safety by:

- (1) Establishing a Good Agricultural Practices Task Force to identify and develop guidelines aimed at ensuring effective food safety and agricultural practices throughout the farm-to-consumer food supply system; and
- (2) Appropriating an unspecified amount for the administrative costs of the Task Force.

Hawaii Farm Bureau Federation and a few concerned individuals submitted testimony in support of this measure. The Department of Agriculture offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 326, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1405 Finance on S.B. No. 327

The purpose of this measure is to support healthy living initiatives by amending the Hawaii State Planning Act to include policy provisions which encourage:

- (1) State residents, businesses, and governmental bodies to purchase and use Hawaii-grown food and food products for greater self-sufficiency; and
- (2) State residents and visitors to support Hawaii's farmers by purchasing Hawaii-grown food and food products.

The Office of Planning and two concerned individuals submitted testimony in support of this measure. The Department of Agriculture and Hawaii Farm Bureau Federation offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 327, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1406 Finance on S.B. No. 593

The purpose of this measure is to support local agriculture by expanding the Livestock Revitalization Program by, among other things:

- (1) Creating a livestock feed developer subsidy to aid qualified feed developers in the business of cultivating feed crops for sale to qualified livestock producers;
- (2) Expanding the existing livestock feed subsidy to include feed for milking goats, sheep, lambs, goats, fish, and crustaceans produced for food and amending minimum production and flock, herd, or sale weight requirements applicable for eligibility purposes;
- (3) Providing that both the livestock feed subsidy and the livestock feed developer subsidy funds be distributed on a pro rata basis upon aggregation of total claims by the Department of Agriculture; and
- (4) Appropriating moneys to the Livestock Revitalization Program to fund the livestock feed subsidy and qualified feed developer subsidy programs, and other administrative costs.

Hawaii Farm Bureau Federation; 4 Ag Hawaii; PonoHolo Ranch, Ltd.; Pacific Biodiesel Technologies; and several concerned individuals submitted testimony in support of this measure. Animal Rights Hawaii and one concerned individual opposed this measure. The Department of Agriculture; Hawaii Aquaculture and Aquaponics Association; Maui Cattlemen's Association; Ulupono Initiative; Hawaii Cattlemen's Council; Ulupalakua Ranch; McCandless Ranch; Hawaii Cattlemen's Council, Inc.; Kauai Cattlemen's Association; and a few concerned individuals offered comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 593, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1407 Finance on S.B. No. 993

The purpose of this measure is to support local farming by expanding the agricultural loan program offered by the Department of Agriculture by:

- (1) Expanding eligibility for new farmer loans and expanding the allowable purposes of this class of loans to include farm innovations; and
- (2) Authorizing a new class of loans for biosecurity projects to protect the health of humans and farm animals.

The Department of Agriculture, Hawaii Farm Bureau Federation, Ulupono Initiative, Hawaii Farmer's Union United, and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 993, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1408 Finance on S.B. No. 505

The purpose of this measure is to support and encourage the use of mediation to settle condominium-related disputes by:

- (1) Adding "support for mediation of condominium related disputes" as an educational purpose eligible to be funded by the Condominium Education Trust Fund;
- (2) Establishing an additional annual Condominium Education Trust Fund fee of \$1.50 per condominium unit to be dedicated to support the mediation of condominium related disputes, and paid beginning with the July 1, 2015, biennium registration;
- (3) Setting the additional Condominium Education Trust Fund fee at a total of \$3 per unit until the Real Estate Commission adopts rules pursuant to Chapter 91, Hawaii Revised Statutes;
- (4) Specifying that professionally trained mediators including retired judges shall be used for condominium dispute mediation services; and
- (5) Requiring the Real Estate Commission to make adjustments to the allocation of amounts in the Condominium Education Trust Fund for various purposes to ensure that adequate funds are available for mediation of condominium related disputes prior to July 1, 2015.

The Hawaii Real Estate Commission, Community Associations Institute Hawaii Chapter, and a concerned individual testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 505, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1409 Finance on S.B. No. 511

The purpose of this measure is to clarify the relationship between Uniform Commercial Code (UCC) Article 4A and the federal Electronic Fund Transfer Act, as it relates to UCC Article 4A's applicability to remittance transfers under the federal law.

The Department of Commerce and Consumer Affairs, Commission to Promote Uniform Legislation, and Hawaii Financial Services Association supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 511 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1410 Finance on S.B. No. 633

The purpose of this measure is to clarify that the value of any work done by an unlicensed contractor shall not be used as an offset in calculating the value of the property in unlicensed contractor fraud cases.

The Department of Commerce and Consumer Affairs; Department of the Prosecuting Attorney, County of Maui; and Pacific Resource Partnership supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 633 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1411 Finance on S.B. No. 1039

The purpose of this measure is to make the Public Utilities Commission's process of reporting more efficient by incorporating the Public Utilities Commission special fund report, which is currently required to be submitted to the Legislature annually as a separate report into the Commission's annual report filed pursuant to section 269-5, Hawaii Revised Statutes, which is made available to the Legislature and the Governor.

The Public Utilities Commission submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1039 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1412 Finance on S.B. No. 1042

The purpose of this measure is to improve the Public Utilities Commission's ability to respond and adapt to the changing regulatory environment by:

- (1) Clarifying its authority to hire professional and other staff; and
- (2) Repealing existing legislatively-imposed permanent and temporary staff position descriptions.

The Public Utilities Commission, Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and Hawaii Energy Forum testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1042, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1413 Finance on S.B. No. 1066

The purpose of this measure is to make clarifications and corrections to Hawaii's securities laws. Specifically, this measure:

- (1) Corrects a grammatical error in the definition of the term "security";
- (2) Amends the definition of "security" to correctly state the fourth element of an investment contract as determined by the Hawaii Supreme Court in *State v. Hawaii Market Center, Inc.*, 52 Haw. 642, 485 P.2d 105 (1971); and
- (3) Corrects an erroneous citation to the federal Securities and Exchange Act of 1934.

The Department of Commerce and Consumer Affairs and AARP Hawaii submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1066, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1414 Finance on S.B. No. 1067

The purpose of this measure is to update the laws regulating escrow depositories by, among other things:

- (1) Expanding the powers of the Commissioner of Financial Institutions (Commissioner) to supervise, regulate, and examine escrow depositories;
- (2) Requiring the Commissioner to report violations of federal or state law to the applicable federal authority;
- (3) Increasing various fees, penalty amounts, and coverage requirements, including administrative fines, enhanced penalties for violations directed at elders, net capital requirements, fidelity bond requirements, insurance coverage requirements, and licensing fee amounts;
- (4) Imposing new advance requirements for notice to the Commissioner in situations where designated escrow officers are terminated or replaced and providing for circumstances where advance notice is not possible;
- (5) Imposing a fee of \$5,000 for the transfer and change in control through transfer of stock in a corporate escrow depository licensee; and
- (6) Specifying that the effective date of increased insurance and security requirements shall take effect on the date of the renewal of existing security devices, but not later than July 1, 2014.

The Department of Commerce and Consumer Affairs testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1067, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1415 Finance on S.B. No. 1070

The purpose of this measure is to create greater consumer protections in the mortgage service industry by, among other things:

- (1) Authorizing the Commissioner of Financial Institutions (Commissioner) to investigate mortgage servicer violations and examine the books, accounts, records, files, and other information of mortgage servicer licensees or those performing the function of mortgage servicers under Hawaii laws governing mortgage servicers;
- (2) Adjusting fees charged for mortgage servicer applications and renewals;
- (3) Requiring that the renewal for licensure as a mortgage servicer be subject to the approval of the Nationwide Mortgage Licensing System or the Commissioner;
- (4) Amending references to the "Nationwide Mortgage Licensing System" to read "NMLS" and creating a new definition for "NMLS" for the purposes of clarity and consistency with federal regulations; and
- (5) Providing for a transitional period through December 1, 2013, to allow licensees adequate time to comply with new requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1070, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1416 Finance on S.B. No. 1071

The purpose of this measure is to update the State's Code of Financial Institutions, Chapter 412, Hawaii Revised Statutes, to reflect changes to banking laws at the federal level and increased monitoring activities required of the Division of Financial Institutions.

Among other things, this measure:

- (1) Specifies additional enforcement and investigatory powers of the Commissioner of Financial Institutions;
- (2) Amends limits on lending and extension of credit to account for derivative transactions;
- (3) Amends real estate holding requirements for financial institutions;
- (4) Updates terminology under the Code of Financial Institutions Law; and
- (5) Statutorily establishes fees and assessments previously determined by the Commissioner of Financial Institutions by rule.

The Department of Commerce and Consumer Affairs, Hawaii Bankers Association, and a concerned individual supported this measure. The Hawaii Financial Services Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1071, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1417 Finance on S.B. No. 930

The purpose of this measure is to:

- (1) Provide funding to support the investigative stage of the Pacific International Space Center for Exploration Systems (PISCES) Sustainable Concrete Initiative, contingent upon a dollar-for-dollar match from other sources; and
- (2) Require PISCES to report to the Legislature regarding the Sustainable Concrete Initiative as well as other issues that would support economic development in Hawaii, including an updated business plan regarding the aerospace technology research and development park project, details on progress made on other specified projects, and the level of private sector investment in aerospace and related industries.

The council member of the Hawaii County Council representing District 3; Hawaii Aerospace Advisory Committee; International Ventures, Associates; Enterprise Honolulu; Buzz Aldrin Enterprises, LLC; and a few individuals provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism; Shackleton Energy Company; and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 930, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1418 Finance on S.B. No. 1000

The purpose of this measure is to align the responsibilities of the Access Hawaii Committee with the State's information technology strategy plan by:

- (1) Designating the Chief Information Officer or the Chief Information Officer's designee as the chair of the Access Hawaii Committee; and
- (2) Requiring the current report of the Access Hawaii Committee to contain the Portal Manager's annual financial reports.

The Judiciary, Department of Accounting and General Services, and Office of Information Management and Technology testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1000, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1419 Finance on S.B. No. 1001

The purpose of this measure is to amend the composition of the Enhanced 911 Board by replacing the Comptroller with the Chief Information Officer or the Chief Information Officer's designee.

The Department of Accounting and General Services, Office of Information Management and Technology, and T-Mobile USA, Inc. provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1001 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1420 Finance on S.B. No. 1068

The purpose of this measure is to enable the Commissioner of Financial Institutions to more effectively regulate, supervise, and examine the money transmitters industry by, among other things:

- (1) Authorizing the Commissioner to require money transmitter licensees to register with the Nationwide Mortgage Licensing System (NMLS) and to enter into agreements or contracts with the operators of NMLS or other entities designated by NMLS for the purpose of regulation of the money transmitter industry;
- (2) Creating a process for licensees to voluntarily cease business and surrender their license;
- (3) Increasing the amounts of the surety bonds required of licensees;

- (4) Updating statutory language by deleting references to building and loan associations and savings and loan associations in the licensing and examination provisions of the Money Transmitters Act;
- (5) Increasing application, license, administrative, and penalty fee amounts for money transmitter licensees;
- (6) Establishing a schedule of license renewal fees based upon the number of a licensee's annualized money transmissions; and
- (7) Providing for background checks of money transmitter licensees.

The Department of Commerce and Consumer Affairs and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1068, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1421 Finance on S.B. No. 1280

The purpose of this measure is to encourage the development of efficient energy systems in Hawaii by authorizing the issuance of special purpose revenue bonds to assist Kona SWAC, LLC, in constructing a portion of a seawater air conditioning district cooling system.

The Blue Planet Foundation provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1280, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1422 Finance on S.B. No. 1349

The purpose of this measure is to provide support for scientific innovation in the State by:

- (1) Reestablishing the income tax credit for qualified research activities that applies to taxable years beginning after December 31, 2013, through December 31, 2017;
- (2) Requiring that the Department of Business, Economic Development, and Tourism conduct studies to measure the effectiveness of the tax credit and submit reports to the Legislature; and
- (3) Updating certain provisions of the income tax credit for qualified research activities for conformance with section 41 of the Internal Revenue Code.

Concentris Systems LLC; Pacific Defense Solutions, LLC; Oceanit; Puko'a Scientific; AMS Naturals; Cardax Pharmaceuticals, Inc; Sacred Hearts Academy; HiBEAM; Maui Time; Cheqbook; Levin & Hu, LLP; Kihei Beachfront Resort, LLC; Boeringa, LLC; The Chamber of Commerce of Hawaii; Hawaii Biotech Inc.; Ocean Network; and Oceantronics, Inc. testified in support of this measure. The Department of Taxation; Hawaii Strategic Development Corporation; Tax Foundation of Hawaii; and Navatek LTD provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1349, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1423 Finance on S.B. No. 1102

The purpose of this measure is to appropriate emergency funding to the Department of Human Services to ensure:

- (1) Continued timely payments to hospitals in the State; and
- (2) There is no disruption in the provision of medically-necessary services to Medicaid program recipients.

The Department of Human Services, Healthcare Association of Hawaii, and Hawaii Pacific Health testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1102 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1424 Finance on S.B. No. 305

The purpose of this measure is to assist the State in addressing the needs of low-income residents and enhance local communities while protecting public lands by:

- (1) Specifying that the Hawaii Public Housing Authority's (Authority) public land development authorization does not extend to conservation lands;
- (2) Authorizing the Authority to develop public housing projects, including by developing commercial, industrial, and other properties under the jurisdiction of the Authority upon a determination that the commercial, industrial, or other property or use will be an integral part of the public housing project or a benefit to the community; and
- (3) Stipulating that such commercial, industrial, or other properties shall be leased at cost or at economical rents determined by the Authority to be consistent with rents in similar locations and with similar terms.

The Hawaii Substance Abuse Coalition testified in support of this measure. The Hawaii Public Housing Authority, Taro Security and Purity Task Force, and Hawaii Construction Alliance provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 305, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1425 Finance on S.B. No. 1112

The purpose of this measure is to provide consistency across Hawaii Public Housing Authority program administration and facilitate accounts collections managing delinquent state low-income public housing accounts in the same way as delinquent federal low-income public housing accounts by authorizing the Authority to delete accounts delinquent for at least ninety days and assign them to a collection agency.

The Hawaii Public Housing Authority testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1112 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1426 Finance on S.B. No. 1118

The purpose of this measure is to enable the Hawaii Public Housing Authority to recruit and retain appropriately skilled and trained personnel by:

- (1) Amending the current cap on the salaries of the Hawaii Public Housing Authority Executive Director and Executive Assistant by de-linking them from the salary of the Director of Human Resources Development;
- (2) Providing for other specified professional and management positions; and
- (3) Authorizing the Board of the Hawaii Public Housing Authority to set the salaries for specified professional and management positions at an amount that shall not exceed the salary of the Governor.

The Hawaii Public Housing Authority and Hawaii Public Housing Authority Board of Directors testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1118, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1427 Finance on S.B. No. 306

The purpose of this measure is to continue discussions on the Medicaid Buy-In proposal by extending the termination date of the Medicaid Buy-In Task Force to June 30, 2014, and requiring the submission of an interim and final report by the Task Force.

The Department of Human Services, State Council on Developmental Disabilities, Community Alliance for Mental Health, and United Self Help testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 306, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1428 Finance on S.B. No. 1340

The purpose of this measure is to provide support for foster youth in the transition to adulthood and in becoming independent and self-sufficient adults by, among other things:

- (1) Establishing the Young Adult Voluntary Foster Care Program to care for and assist eligible foster youth between the ages of 18 and 21;
- (2) Requiring the Department of Human Services to submit an annual report to the Legislature prior to each regular session on the status, efficacy, and other relevant information regarding the Young Adult Voluntary Foster Care Program; and
- (3) Appropriating funds to the Department of Human Services for the purposes of this measure.

The Judiciary; Office of Hawaiian Affairs; Department of Human Services; Family Programs Hawaii; Hawaii Youth Opportunities Initiative; EPIC 'Ohana, Inc.; Hawaii Youth Services Network; Hawaii Women's Coalition; HI H.O.P.E.S. Youth Leadership Boards of East Hawaii, Kauai, Oahu, and West Hawaii, Hawaii Youth Opportunities Initiative; and numerous concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1340, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1429 Finance on S.B. No. 886

The purpose of this measure is to ensure an adequate number of state justices and judges to accommodate the needs of the State's judicial system by proposing a constitutional amendment to increase the mandatory retirement age for such justices and judges from 70 to 80.

The Department of the Attorney General and International Longshore and Warehouse Union Local 142 supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu opposed this bill. The American Civil Liberties Union of Hawai'i provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 886 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1430 Finance on S.B. No. 891

The purpose of this measure is to improve the regulation of notaries public by clarifying the information required to be included on a notary seal and authorizing the Attorney General, through the adoption of rules pursuant to Chapter 91, Hawaii Revised Statutes, to:

- (1) Adjust the fees to become a notary public or to renew a notary commission; and
- (2) Establish and adjust other fees related to notaries public.

The Department of the Attorney General supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 891 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1431 Finance on S.B. No. 331

The purpose of this measure is to assist Hawaii's workers by increasing the hourly minimum wage to:

- (1) \$7.75 beginning on January 1, 2014;
- (2) \$8.25 beginning on January 1, 2015;
- (3) \$8.75 beginning on January 1, 2016; and
- (4) \$9.00 beginning on January 1, 2017.

The Department of Labor and Industrial Relations; Department of Human Services; Hawaii State AFL-CIO; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Catholic Conference; Hawai'i Appleseed Center for Law and Economic Justice; Labor Caucus of the Democratic Party of Hawaii; UNITE HERE! Local 5; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Plumbers and Fitters Local 675; Progressive Democrats; and several concerned individuals supported this measure. The National Federation of Independent Business Hawai'i; Hawaii Business League; Retail Merchants of Hawaii; Times Supermarket; Gyotaku Japanese Restaurants; Tamura Super Market; Meadow Gold Dairies Hawaii; Tanaka of Tokyo; Maui Chamber of Commerce; Regal Entertainment Group; Times Supermarkets; T S Restaurants; Envisions Entertainment; Island Landscape; Akina Aloha Tours; Pizza Bob's; and numerous concerned individuals opposed this measure. The Chamber of Commerce of Hawaii; Hawaii Food Industry Association;

Hawai'i Alliance for Retired Americans; TS Restaurants Hawaii; Duke's Beach House Maui; Hula Grill; Leilani's on the Beach; Duke's Waikiki; Keoki's Paradise; Duke's Canoe Club Kauai; Hula Grill Waikiki; Kimo's Restaurant; Jackie Rey's Ohana Grill; and several concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 331, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1432 Finance on S.B. No. 885

The purpose of this measure is to promote more meaningful discussion during the negotiation process relating to employer contributions to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) by, among other things:

- (1) Repealing the prohibition against using arbitration to resolve impasses or disputes relating to State and county EUTF contributions;
- (2) Repealing the Legislature's role in determining State and county contribution amounts where agreement cannot be reached by the parties; and
- (3) Permitting bargaining unit members to participate in a strike on the issue of State and county EUTF contribution amounts.

The United Public Workers, AFSCME, Local 646, AFL-CIO and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Budget and Finance opposed this measure. The Department of Human Resources of the City and County of Honolulu and the University of Hawai'i provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 885, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1433 Finance on S.B. No. 1036

The purpose of this measure is to improve the administration of the Employees' Retirement System (ERS). More specifically, this measure:

- (1) Authorizes the ERS Administrator to appoint one or more investment officers to the ERS Investment Office; and
- (2) Changes the title of the Administrator of the ERS to "Executive Director" to be consistent with the titles of other state agencies' administrative heads.

The Department of Budget and Finance and the Employees' Retirement System Board of Trustees supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1036 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1434 Finance on S.B. No. 406

The purpose of this measure is to require members of certain state councils, boards, and commissions to complete a training course administered by the Office of Hawaiian Affairs relating to native Hawaiian and Hawaiian rights.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Kuakini Hawaiian Civic Club of Kona, and several individuals testified in support of this measure. The Center for Hawaiian Sovereignty Studies testified in opposition of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 406, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1435 Finance on S.B. No. 409

The purpose of this measure is to celebrate and encourage the use of the Hawaiian language by designating the month of February as "Ōlelo Hawai'i Month".

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Kuakini Hawaiian Civic Club of Kona, and a few concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 409, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1436 Finance on S.B. No. 69

The purpose of this measure is to help promote public safety by:

- (1) Requiring that individuals who bring firearms into the State that are required by law to be registered to be fingerprinted and photographed by the police department of the county of registration; and
- (2) Appropriating unspecified amounts to each county to implement this requirement.

This measure also increases from three to five days the length of time individuals who bring firearms into the State have to comply with registration requirements.

The Department of the Attorney General, Honolulu Police Department, Kauai Police Department, County of Maui Department of the Prosecuting Attorney, Hawaii Rifle Association, and several concerned individuals supported this measure. The Hawaii members of the National Rifle Association and numerous individuals opposed this measure. The Hawaii Police Department and several concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 69, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1437 Finance on S.B. No. 71

The purpose of this measure is to facilitate the re-integration into society of those who have been incarcerated by appropriating an unspecified amount of general revenues for the Department of Public Safety to contract with community-based nonprofit organizations to provide education, mentoring, restorative circles, farming, artisan skills, cognitive behavioral therapy, and cultural healing services to inmates and former inmates who are under the custody and control of the Department or the Hawaii Paroling Authority.

The Community Alliance on Prisons and several concerned individuals supported this measure. The Department of Public Safety provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 71, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1438 Finance on S.B. No. 680

The purpose of this measure is to establish within the State Department of Defense a State Homeland Security Office to be headed by the Adjutant General acting in the capacity of Director of Homeland Security. Additionally, this measure:

- (1) Specifies the Director of Homeland Security's responsibilities, including preparing comprehensive plans and programs for homeland security and homeland defense; developing and maintaining a list of critical infrastructure; fostering coordination on security matters with all nations of the Pacific region to the extent permitted under federal law; and soliciting and managing funds; and
- (2) Authorizes the establishment of county organizations for homeland security.

The State Adjutant General; Vice Director of State Civil Defense; State Fire Council; Kauai Fire Department; Executive Officer of State Civil Defense; Department of Emergency Management of the City and County of Honolulu; County of Hawaii Civil Defense Agency; Honolulu Police Department; Hawaii State Fusion Center; Department of Transportation; Maui Police Department; Hawaii Police Department; and two concerned individuals supported this measure. Numerous concerned individuals opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 680, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1439 Finance on S.B. No. 693

The purpose of this measure is to increase traffic safety by establishing a three-year pilot photo red light imaging detector system program to be administered by a nonprofit organization and amending other statutes regarding highway safety to accommodate this pilot program.

AAA Hawai'i and numerous concerned individuals supported this measure. The Office of the Public Defender and a concerned individual opposed this measure. The Department of Transportation; Mothers Against Drunk Driving Hawaii; Horizon Lines, Inc.; Hawaii Bicycling League; and two concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 693, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1440 Finance on S.B. No. 722

The purpose of this measure is to require the Department of Accounting and General Services to coordinate efforts to establish a complete inventory of state-owned or managed public buildings, facilities, and sites on lands of the Public Land Trust.

A few individuals provided testimony in support of this measure. The Department of Accounting and General Services provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 722, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1441 Water & Land on S.B. No. 454

The purpose of this measure is to facilitate water conservation by expanding permissible use of recycled gray water to gray water generated by nonresidential applications, specifying that use of this gray water shall be in conformance with the State Plumbing Code, and encouraging the use and promotion of recycled gray water.

Your Committee received testimony in support of this measure from the Department of Health, Department of Land and Natural Resources, Office of Hawaiian Affairs, a member of the Maui County Council, the Landscape Industry Council of Hawaii, and a few individuals.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 454, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Lee.

SCRep. 1442 Labor & Public Employment/Consumer Protection & Commerce on S.B. No. 1293

The purpose of this measure is to require any person applying for a license as an electrical contractor, pole and line contractor, high voltage electrical contractor, or electronic systems contractor, with the exception of employees of a public utility, to possess a trade license to perform electrical work in the State.

The International Brotherhood of Electrical Workers Local Union 1186 and Electrical Contractors Association of Hawaii supported this measure. The Contractors License Board; General Contractors Association of Hawaii; Building Industry Association of Hawaii; BKA Builders Inc.; Custom Electronic Design & Installation Association; Universal Construction, Inc.; and Pacific Resource Partnership opposed this measure.

Your Committees have amended this measure by:

- (1) Specifying that the requirement that an applicant for a license as an electrical contractor, pole and line contractor, high voltage electrical contractor, or electronic systems contractor possess a journey worker trade license to perform electrical work in the State applies only to individuals operating as sole proprietors;
- (2) Defining "sole proprietor" as an individual who owns and operates a business that does not employ any other individuals;
- (3) Adding new language to require sole proprietors to possess a journey worker trade license to perform electrical work in the state as a condition of maintaining a specified electrical contractor's license, effective July 1, 2015;
- (4) Specifying that the licensing requirements established by this measure shall not prohibit a general contractor from performing customary duct or conduit work as part of site preparation; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Labor & Public Employment and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1293, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1293, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Har, Ichiyama, Ito, Lee, McKelvey and McDermott.

SCRep. 1443 Labor & Public Employment on S.B. No. 890

The purpose of this measure is to improve the efficiency of the Hawaii Labor Relations Board by authorizing the Governor to appoint an acting member, with certain restrictions, to serve on the Hawaii Labor Relations Board in the event that a regular board member is temporarily unable to act due to recusal.

The Department of the Attorney General; Hawaii Labor Relations Board; and United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure. The Hawaii Government Employees Association and Hawaii State Teachers Association opposed this bill. A concerned individual provided comments.

Your Committee notes that the Department of the Attorney General suggested that the acting member appointed represent the same category as

the regular member who is temporarily unable to act due to absence from the State, recusal, or illness.

Your Committee has amended this measure by:

- (1) Removing the Governor's authority to appoint an acting member to serve on the Hawaii Labor Relations Board in the event that a regular member is temporarily unable to act due to absence from the State, recusal, or illness and instead providing this authority to the Chief Justice; and
- (2) Changing its effective date to July 1, 2113, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 890, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 890, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Johanson.

SCRep. 1444 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 856

The purpose of this measure is to recognize the pivotal role Fred Korematsu played in fighting for the civil rights of all Americans, particularly those of Japanese ancestry by declaring January 30th as Fred Korematsu Day in Hawaii.

The Hawaii Civil Rights Commission, Korematsu Institute for Civil Rights and Education, Japanese American Citizens League - Honolulu Chapter, Japanese Cultural Center of Hawai'i, and several concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Changing the name of the day from "Fred Korematsu Day" to "Civil Liberties and the Constitution Day" to recognize all individuals who played a role in the struggle to protect the rights of all Americans, particularly those of Japanese ancestry during World War II;
- (2) Amending the preamble of the bill to include information on the internment of Americans of Japanese ancestry as well as information on other individuals who also played a role in fighting for the civil liberties of all Americans, particularly those of Japanese ancestry; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 856, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 856, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1445 Consumer Protection & Commerce on S.B. No. 1079

The purpose of this measure is to:

- (1) Amend the definition of "small employer" in the Insurance Code; and
- (2) Apply producer licensing requirements to insurance producers selling health insurance products offered by health maintenance organizations and mutual benefit societies to conform with the requirements of the federal Patient Protection and Affordable Care Act of 2010.

The Department of Commerce and Consumer Affairs and Hawaii Health Connector supported this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision that would have amended the definition of "small employer" in the Insurance Code; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1079, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1079, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1446 Consumer Protection & Commerce on S.B. No. 1020

The purpose of this measure is to extend existing reporting, recordkeeping, and remedial requirements that regulate registered charities, professional fundraising counsel, and professional solicitors to commercial co-venturers.

Among other things, this bill:

- (1) Amends the definition of "professional solicitor" under Hawaii law regulating the solicitation of funds from the public;
- (2) Deletes language requiring that registration forms for charitable organizations use a uniform registration statement developed by the National Association of State Charity Officials;
- (3) Extends reciprocal agreements between the Attorney General and other states for information exchange purposes to include commercial co-venturers;
- (4) Requires commercial co-venturers to keep accurate records of their activities;
- (5) Lessens the time period from five years to three years, in which records are to be retained by charitable organizations, professional fundraising counsels, professional solicitors, and commercial co-venturers;
- (6) Imposes a fine on any commercial co-venturer who fails to file a written consent;
- (7) Makes commercial co-venturers subject to the public record, financial statement, prohibition, and enforcement requirements applicable to charitable organizations, professional fundraising counsel, and professional solicitors under Hawaii law governing the solicitation of funds from the public;
- (8) Provides that audited financial statements submitted by registered charities under Hawaii law governing the solicitation of funds from the public, are confidential;
- (9) Specifies the amount of contributions charitable organizations are to receive to qualify for exemption from the registration and financial disclosure requirements under Hawaii law governing the solicitation of funds from the public; and
- (10) Establishes a fine for professional fundraising counsel and professional solicitors who fail to file their renewal registration.

The Department of the Attorney General commented on this measure.

Your Committee has amended this measure by:

- (1) Applying the \$20 fine for the delinquent filing of a return or report by charitable organizations, to the delinquent payment of the filing fee required for submitting an annual financial report under Hawaii law governing the solicitation of funds from the public; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1020, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1020, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, Lee, McKelvey and McDermott.

SCRep. 1447 Finance on S.B. No. 1092

The purpose of this measure is to appropriate general funds to the hurricane reserve trust fund.

Your Committee received testimony in support of this measure from the Office of the Governor, the Department of Budget and Finance, and the Department of Commerce and Consumer Affairs.

Your Committee finds that, given the improvement of the State's economy, an accelerated recapitalization of the trust fund is fiscally prudent at this time.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to facilitate continuing discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1092, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1092, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1448 Finance on S.B. No. 1094

The purpose of this measure is to recapitalize the emergency and budget reserve fund.

More specifically, this measure appropriates an unspecified amount from general funds to the emergency and budget reserve fund for fiscal year 2014-2015.

Your Committee received testimony in support of this measure from the Office of the Governor, Department of Budget and Finance, Catholic Charities Hawaii, and one individual.

Your Committee recognizes that the use of moneys from the emergency and budget reserve fund and the Hawaii hurricane relief fund during the economic recession beginning in 2008 allowed the State to avoid having to take even greater spending reductions and revenue enhancement measures and enabled continued delivery of services to the State's most vulnerable populations. Now that the State's economy is rebounding and more resources are available, a concerted effort must be made to recapitalize the State's depleted fiscal reserves. Accordingly, your Committee finds that this measure is essential to safeguard the future economic well-being of the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical nonsubstantive amendments for purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1094, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1094, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1449 Finance on S.B. No. 1188

The purpose of this measure is to make technical nonsubstantive corrections to chapter 236E, Hawaii Revised Statutes, and clarify that the amount of any transfer tax due to the State for a decedent who was in a civil union or recognized equivalent under the laws of the State shall be computed as if the civil union or recognized equivalent were recognized as a marriage under the Internal Revenue Code.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that Act 220, Session Laws of Hawaii 2012, enacted the Estate and Generation-Skipping Transfer Tax Reform Act, codified as chapter 236E, Hawaii Revised Statutes, to establish estate and generation-skipping transfer taxes under state law that were based upon the valuations, deduction, and expenses allowed for federal transfer tax purposes, but with tax rates independent of the federal transfer taxes. Your Committee also finds that this measure makes technical corrections to ensure that the provisions of the Estate and Generation-Skipping Transfer Tax Reform Act apply to decedents who were in a civil union or recognized equivalent as they apply to decedents of a marriage.

Your Committee has amended this measure by making corrections to accurately reflect the text of sections 236E-6 and 236E-7, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1188, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1188, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1450 Finance on S.B. No. 1191

The purpose of this measure is to authorize the Director of Taxation to create up to three boards of review in any taxation district where disputes cannot reasonably be decided within one year.

This measure also authorizes the chair of one board of review to assign a member of that board to serve as a temporary member of another board of review in the same taxation district for the purposes of establishing and maintaining quorum.

Your Committee received testimony in support of this measure from the Department of Taxation. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that there are more than two hundred tax appeal cases currently pending review by the Oahu taxation district board of review. Your Committee believes that, by authorizing creation of additional boards of review, this measure will provide the necessary tools to reduce the backlog of cases awaiting resolution.

Your Committee also notes that current law requires each board of review to commence public meetings not later than April 9 of each year. Your Committee recognizes that this time period is in the midst of tax season, which is the busiest time of the year for most of the board members who are tax professionals.

Accordingly, your Committee has amended this measure by deleting the specific April 9 deadline for each board of review to commence public meetings and instead requiring that each board hold public hearings at least once annually.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1191, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1191, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1451 Finance on S.B. No. 1193

The purpose of this measure is to eliminate the general excise tax exemption for liquor, tobacco, and food sold to any person or common carrier in interstate or foreign commerce for consumption out of state.

Your Committee received testimony in support of this measure from the Department of Taxation. Comments were received from the Tax Foundation of Hawaii.

Your Committee finds that the exemption does not serve the limited purposes for which it was originally enacted. Although the exemption was intended to benefit state agriculture by encouraging common carriers to buy local agricultural products, it instead creates a broad tax break for all common carriers and the catering companies that serve those common carriers.

Your Committee has amended this measure by:

- (1) Changing the effective date to "upon approval" and making the measure applicable to taxable years beginning after December 31, 2013;
- (2) Adding language to ensure the preservation of the amendments made to section 237-24.3, Hawaii Revised Statutes, when the section is repealed and reenacted on December 31, 2014; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1193, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1193, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1452 Finance on S.B. No. 1197

The purpose of this measure is to make permanent the Department of Taxation Special Enforcement Section.

The Department of Taxation submitted testimony in support of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committee finds that the Department of Taxation Special Enforcement Section (Section) was established by Act 134, Session Laws of Hawaii 2009 (Act 134), which is scheduled to sunset on June 30, 2014. Since its establishment, the Section has generated approximately \$1,000,000 in tax revenue using a staff of only three employees. Your Committee finds that by educating small businesses on taxes and conducting investigations, the Section has brought over one hundred fifty taxpayers into tax compliance. Currently, an additional five hundred taxpayers have been identified as non-filers who require investigation. Your Committee believes that permanently establishing the Section will ensure that businesses and individuals are properly educated regarding tax compliance, facilitate the investigation of individuals and businesses who owe taxes, and result in increased state tax revenues.

Your Committee has amended this measure by making a technical nonsubstantive amendment for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1197, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1197, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1453 Finance on S.B. No. 1206

The purpose of this measure is to clarify that the authority of the Director of Taxation includes the collection and general administration of all taxes.

Testimony in support of this measure was submitted by the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that section 231-13, Hawaii Revised Statutes, could be clearer in stating its intent whether the Director of Taxation is authorized to collect and administer all taxes or only delinquent taxes. Your Committee further finds that this measure sufficiently clarifies that the Department of Taxation does have the authority to administer and collect all taxes, including delinquent taxes, which will facilitate the effective operation of the Department.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1206, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1206, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1454 Finance on S.B. No. 1360

The purpose of this measure is to make permanent the general excise tax exemption for certain common expenses for condominiums, hotels, and timeshares.

Specifically, this measure permanently:

- (1) Exempts from the general excise tax amounts received by submanagers of association of apartment owners of a condominium property regime or nonprofit homeowners or community associations;
- (2) Exempts from the general excise tax amounts received by operators and suboperators of a timeshare or hotel for employee expenses and insurance premiums; and
- (3) Removes the \$400,000 general excise tax exemption cap on timeshare or hotel payments for employee expenses and insurance premiums.

Your Committee received testimony in support to this measure from the Hawaii Association of Realtors, Hawaiiana Management Co. Ltd, Hawaii Community Associations Institute, American Resort Development Association, Wyndham Vacation Ownership, Outrigger Enterprises Group, and Starwood Vacation Ownership. Your Committee received comments on this measure from the Department of Taxation, the Hawaii Lodging and Tourism Association, and the Tax Foundation of Hawaii.

Your Committee finds that exempting payments for employee expenses, insurance premiums, and other costs from the general excise tax will apply a consistent level of taxation for timeshares and hotels, whether managed locally or by offshore management companies. Similarly, your Committee believes that a general excise exemption for condominium expenses paid by submanagers provides for uniform treatment of amounts received relating to common area expenses paid for a condominium, whether received by a manager, submanager, or board of directors.

Your Committee has amended this measure by replacing its contents with the contents of H.B. No. 334, H.D. 1, which makes the general excise tax exemption permanent for the same entities, but does not remove the \$400,000 general excise tax exemption cap.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1360, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1360, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1455 Transportation on S.B. No. 479

The purpose of this measure is to comply with the federal Moving Ahead for Progress in the 21st Century Act by adding the Director of the county authority for rapid or mass transportation to the Metropolitan Planning Organization Policy Committee for that county.

The City and County of Honolulu; Department of Transportation Services of the City and County of Honolulu; Honolulu Authority for Rapid Transportation; and a member of the Honolulu City Council representing District VIII supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 479, S.D. 2, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Takumi.

SCRep. 1456 Water & Land on H.R. No. 73

The purpose of this measure is to request the United State 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 to accommodate community participation and other important needs of the State.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; two members of the Maui County Council; the Hawaii Farm Bureau Federation; Alexander & Baldwin, Inc.; and one individual. The Department of Accounting and General Services, and Nuu Makua Ranch submitted comments.

Your Committee has amended this measure by:

- (1) Adding language to recognize that since federal law does not require the conduct of an environmental assessment or the preparation of an environmental impact statement, these actions were not taken by the Fish and Wildlife Service in its Critical Habitat Designation process;
- (2) Adding language to express that conservation efforts should not impede the production of food in the State;
- (3) Requesting the Fish and Wildlife Service to conduct an environmental assessment and, if warranted, prepare an environmental impact statement as part of its collaborative efforts with persons and counties affected by Critical Habitat Designation; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 73, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 73, H.D. 2.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Lee.

SCRep. 1457 Water & Land on H.C.R. No. 96

The purpose of this measure is to request the United State 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 to accommodate community participation and other important needs of the State.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; a member of the Maui County Council; the Hawaii Farm Bureau Federation; MCFB; Alexander & Baldwin, Inc.; Barbed S Ranch; McCandless Ranch; and several individuals. The Department of Accounting and General Services, Nuu Makua Ranch, 4 Ag Hawaii, and Hawaii Cattlemen's Council, Inc., submitted comments.

Your Committee has amended this measure by:

- (1) Adding language to recognize that since federal law does not require the conduct of an environmental assessment or the preparation of an environmental impact statement, these actions were not taken by the Fish and Wildlife Service in its Critical Habitat Designation process;
- (2) Adding language to express that conservation efforts should not impede the production of food in the State;
- (3) Requesting the Fish and Wildlife Service to conduct an environmental assessment and, if warranted, prepare an environmental impact statement as part of its collaborative efforts with persons and counties affected by Critical Habitat Designation; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 96, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 96, H.D. 2.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Lee.

SCRep. 1458 Finance on S.B. No. 1184

The purpose of this measure is to make conforming amendments to the state income tax law that are based upon amendments made to the Internal Revenue Code from January 1, 2012, to January 2, 2013.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments from the Tax Foundation of Hawaii.

According to section 235-3, Hawaii Revised Statutes, the intent of the state income tax law is to conform as closely as possible to the Internal Revenue Code. Pursuant to this goal, provisions of sections 235-2.3 and 235-2.5, Hawaii Revised Statutes, are designed to incorporate amendments to the Internal Revenue Code that are made as of the end of the preceding calendar year.

However, your Committee finds that due to protracted "fiscal cliff" negotiations, amendments to the Internal Revenue Code were not enacted before the end of the past calendar year and, instead, were enacted on January 2, 2013. To reflect the late enactment of Internal Revenue Code amendments and the stated intent of section 235-3, Hawaii Revised Statutes, the amendments to the income tax law should conform to the version of the Internal Revenue Code as amended on January 2, 2013.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1184, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1459 Finance on S.B. No. 1185

The purpose of this measure is to clarify the definition of "nonprofit organization" in chapter 237, Hawaii Revised Statutes, by replacing references to the Internal Revenue Code with references to section 237-23, Hawaii Revised Statutes, relating to exemptions from the general excise tax.

Your Committee received testimony in support of this measure from the Department of Taxation and the Aloha Society of Association Executives. The Tax Foundation of Hawaii submitted comments on this measure.

Your Committee finds that sections 237-9.3 and 237-41.5, Hawaii Revised Statutes, define "nonprofit organization" with references to the Internal Revenue Code section 501(c) that are inconsistent with the provisions of section 237-23, Hawaii Revised Statutes. Your Committee believes that replacing references to the Internal Revenue Code with references to appropriate provisions of the Hawaii Revised Statutes will make the application and administration of chapter 237, Hawaii Revised Statutes, as it relates to nonprofit organizations, more consistent.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1185, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1460 Finance on S.B. No. 1187

The purpose of this measure is to authorize the Department of Taxation to delete a delinquent tax account upon a finding of reasonable cause rather than requiring the Department to wait two years to delete the account.

Your Committee received testimony in support of this measure from the Department of Taxation. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that state law currently requires the Department of Taxation to wait two years before determining that delinquent taxes are uncollectible and deleting the account. Your Committee believes that, by authorizing the Department to use a reasonableness standard rather than a fixed two-year time period, this measure will relieve the Department of the need to track small claims when the costs of collection, including employee time, will exceed any expected recovery.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1187, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1461 Finance on S.B. No. 1190

The purpose of this measure is to clarify taxation of imported contracting under state use tax law.

The Department of Taxation submitted testimony in support of the measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the current use tax treatment of imported contracting is unclear. Because the use tax is intended to complement the general excise tax, contracting should be taxed similarly under both use and general excise tax laws. This measure would promote the consistent application of the use tax on imported contracting, thus resolving uncertainty for state taxpayers.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1190, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1462 Finance on S.B. No. 1192

The purpose of this measure is to amend the law governing the disposition of property seized by the Department of Taxation.

Specifically, the measure provides:

- (1) The Department of Taxation more time in which to sell property that has been seized due to a failure of a taxpayer to pay a tax delinquency; and
- (2) For a tolling of the allotted time if any party commences an action concerning the seized property.

The Department of Taxation submitted testimony in support of the measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the existing thirty day period does not provide an adequate amount of time for the Department of Taxation to sell property that has been seized for the non-payment of taxes. This often makes the seizure and selling of assets a nonviable option for the Department. This measure would increase the period of time in which the Department of Taxation has to conduct sales of assets that have been seized for non-payment of taxes to one hundred eighty days.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1192, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1463 Finance on S.B. No. 1203

The purpose of this measure is to conform the Hawaii estate and generation-skipping transfer tax law to the Internal Revenue Code.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii submitted comments on the measure.

According to section 236E-5, Hawaii Revised Statutes, the intent of the Hawaii estate and generation-skipping transfer tax law is to conform as closely as possible to the Internal Revenue Code. Pursuant to this goal, provisions of sections 236E-3 and 236E-4, Hawaii Revised Statutes, are designed to incorporate amendments to the Internal Revenue Code that are made as of the end of the preceding calendar year.

However, your Committee finds that due to protracted "fiscal cliff" negotiations, amendments to the Internal Revenue Code were not enacted before the end of the past calendar year and, instead, were enacted on January 2, 2013. To reflect the late enactment of Internal Revenue Code amendments and the stated intent of section 236E-5, Hawaii Revised Statutes, the amendments to the estate and generation-skipping transfer tax law should conform to the version of the Internal Revenue Code as amended on January 2, 2013.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1203, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1464 Judiciary on S.B. No. 68

The purpose of this measure is to grant a court the discretion to sentence a defendant convicted of a class B or C felony drug offense to an indeterminate term of imprisonment, with certain exceptions.

The League of Women Voters of Hawaii, the American Civil Liberties Union of Hawaii, the Community Alliance on Prisons, and numerous concerned individuals provided testimony in support of this measure. The Department of the Attorney General, the Honolulu Police Department, the Maui Police Department, the Hawaii County Office of the Prosecuting Attorney, the Office of the Prosecuting Attorney of the County of Maui, the Office of the Prosecuting Attorney of the County of Kauai, and the Department of the Prosecuting Attorney of the City and County of Honolulu provided testimony in opposition to this measure. The Office of the Public Defender and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that a sentence of imprisonment imposed for the specified class B felonies shall not be less than five years, and a sentence of imprisonment imposed for the specified class C felonies shall not be less than one year;
- (2) Removing the retroactive provision that would have allowed defendants convicted of class B or C felonies affected by this measure to seek a one-time review of the length of their original prison sentences before July 1, 2015, for a possible reduction in their original sentences; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 68, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 68, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1465 Judiciary on S.B. No. 978

The purpose of this measure is to increase protections for pet animals by establishing a mandatory sentence of one year of imprisonment for a defendant convicted of cruelty to animals in the second degree in an offense involving five or more pet animals in one instance and authorizing the court to impose consecutive terms.

The Department of the Prosecuting Attorney of the City and County of Honolulu, The Humane Society of the United States, Hawaiian Humane Society, West Hawaii Humane Society, and more than two hundred concerned individuals testified in support of this measure. The Office of the Public Defender, Petland, Pets Pacifica Inc., and one concerned individual testified in opposition to the bill. Several concerned individuals offered comments.

Your Committee notes the important concerns raised by testifiers about lenient sentencing where multiple animals have been involved. In raising the penalty for the offense of cruelty to animals in the second degree involving twenty-five or more pet animals to a class C felony, which is the same penalty imposed for cruelty to animals in the first degree, your Committee intends to send a clear message that these offenses are to be punished in accordance with the significance and gravitas they merit. The amendments made to this measure are not intended to preclude separate charges where multiple animals are involved.

Your Committee has amended this measure by:

- (1) Deleting language that would have established a mandatory sentence of one year for a person convicted of cruelty to animals in the second degree against five or more pet animals, and would have specified that the court is authorized to impose consecutive terms;
- (2) Establishing that cruelty to animals in the second degree is a class C felony where the offense involves twenty-five or more pet animals in any one instance; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 978, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 978, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1466 Water & Land/Education/Finance on S.B. No. 237

The purpose and intent of this measure is to improve public school facilities and infrastructure to meet the challenges of the twenty-first century by optimizing the use of public school lands.

Specifically, this measure:

- (1) Establishes a three-year pilot program to generate revenue from use of public school lands for public purposes;
- (2) Establishes the school facilities special fund within chapter 302A, Hawaii Revised Statutes;
- (3) Requires the Lieutenant Governor to submit a report relating to the pilot program to the Legislature prior to the convening of the Regular Sessions of 2014 through 2016; and
- (4) Appropriates an unspecified sum of funds for the establishment of the pilot program.

Your Committees received testimony in support of this measure from the Governor, the Department of Education, The Pacific Resource Partnership, and the General Contractors Association of Hawaii. Numerous individuals testified in opposition to the measure. The Chamber of Commerce of Hawaii, the Hawaii Institute for Public Affairs, the Land Use Research Foundation of Hawaii, and the Building Industry Association-Hawaii submitted comments.

Your Committees find that the State's underused public school lands are an untapped resource that could generate revenue to provide infrastructure necessary to make classrooms, campuses, and communities suitable for the twenty-first century. While the pilot program established by this measure would lay the groundwork for a statewide approach and plan to optimize the use of public school lands, your Committees believe that the measure only provides a short-term solution to resolve demand for public facilities in the urban core. In light of this finding, your Committees prefer the language in House Bill No. 865, H.D. 1, which is substantively similar to this measure.

Your Committees note that, in contrast to the language contained in this measure, House Bill No. 865, H.D. 1, provides a long-term, more systemic approach for optimizing the use of public school lands, by establishing redevelopment guidance policies and enumerating the powers granted to the Department of Education in carrying out redevelopment. Your Committees also note that House Bill No. 865, H.D. 1, limits the number of redevelopment projects to five, which would allow the Legislature to evaluate the efficacy of the redevelopment efforts.

Based upon these findings, your Committees have amended this measure by deleting its contents and replacing it with the language contained in House Bill No. 865, H.D. 1, and further amending the measure by:

- (1) Requiring that any redevelopment involving nonschool purposes comply with county plans, ordinances, and zoning and development codes; acquire all required government approvals and permits; and be subject to all required real property taxes;
- (2) Providing that, during the identification and selection process, the Department of Education shall be subject to chapter 92, Hawaii Revised Statutes, and shall foster school and community participation;
- (3) Deleting duplicative language that authorizes the Department of Education to adopt rules for twenty-first century school projects;
- (4) Deleting the Department of Education's authorization to acquire, reacquire, contract to acquire or reacquire, dispose of, or encumber real, personal, or mixed property or any interest therein;
- (5) Deleting the Department of Education's authorization to provide advisory, consultative, training, and educational services, technical assistance, and advice in redeveloping public school lands;
- (6) Requiring the Department of Education to submit an annual report to the Legislature regarding the redevelopment of public school lands; and
- (7) Transferring all moneys in the school facilities special fund and the Hawaii public land development revolving fund to the twenty-first century schools revolving fund.

Your Committees believe that the amended measure will assist the Department of Education in optimizing the use of the lands and facilities under the Department's control. Your Committees further believe that annual progress reports by the Department of Education would assist the Legislature in the evaluation process. To this end, your Committees recommend that the Department of Education develop procedures to address the ongoing demands of repair and maintenance of their school facilities to meet the challenges of the twenty-first century and to improve the overall quality of education in Hawaii.

As affirmed by the records of votes of the members of your Committees on Water & Land, Education, and Finance that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 237, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 237, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Choy, Hanohano, Lee, Lowen, Takai, Thielen and Ward.

SCRep. 1467 Finance on S.B. No. 1289

The purpose of this measure is to require payors of non-wage payments for construction services to report the payments to the Department of Taxation. Specifically, this measure:

- (1) Creates procedures, requirements, and deadlines for the submitting of payment reports; and
- (2) Sets penalties for taxpayer failure to report.

The Laborers' International Union of North America Local 368, Masons Union Local 1 & 630, and Operating Engineers Local Union #3 testified in support of this measure. The Construction Financial Management Association, Hawai'i Association of REALTORS, and Subcontractors Association of

Hawaii testified in opposition to this measure. The Department of Taxation, Tax Foundation of Hawaii, Building Industry Association of Hawaii, Hawai'i Construction Alliance, Hawaii Regional Council of Carpenters, General Contractors Association, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring annual reports submitted by a payor to the Department of Taxation to include the general excise taxpayer identification numbers, federal taxpayer identification numbers, or social security numbers as specified;
- (2) Requiring the annual payment report to be transmitted by the payor to the Department of Taxation on or before the twentieth day of the fourth month, rather than the last day of the third month, following the close of the payor's taxable year in which payments were made;
- (3) Deleting the requirement that the payor also transmit the report to the Director of Labor and Industrial Relations;
- (4) Authorizing the Director of Taxation to adopt rules and prepare forms as may be necessary to effectuate the annual reporting requirements established by this measure;
- (5) Authorizing the Director of Taxation to enter into agreements with state and federal law enforcement to share the required annual reports under certain circumstances;
- (6) Amending amounts of penalties for noncompliance;
- (7) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1289, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1289, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1468 Finance on S.B. No. 1298

The purpose of this measure is to require that the projected operating costs of all capital improvements be included in the six-year program and financial plan.

An individual provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1298, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1469 Finance on S.B. No. 1194

The purpose of this measure is to adjust Transient Accommodations Tax rates and the disposition of Transient Accommodations Tax revenues by:

- (1) Repealing the additional Transient Accommodations Tax imposed by Act 61, Session Laws of Hawaii 2009;
- (2) Repealing the daily Transient Accommodations Tax on complimentary or gratuitous accommodations; and
- (3) Making permanent the provisions providing for a cap on the Transient Accommodations Tax distribution to the Tourism Special Fund and the counties.

For purposes of holding a public hearing on this bill, your Committee circulated a proposed S.B. No. 1194, S.D. 2, H.D. 1 (Proposed Draft) and notified the public that your Committee would be accepting testimony on the Proposed Draft, which:

- (1) Deletes the additional Transient Accommodations Tax rates for the periods beginning on July 1, 2009, to June 30, 2010, and from July 1, 2010, and thereafter; and
- (2) Restores the distribution of collected tax revenues, including distribution caps, to the Tourism Special Fund and counties to existing rates.

The Hawaii Tourism Authority, Hawaii Lodging & Tourism Association, Grand Hyatt, Hilton Worldwide, Maui Hotel & Lodging Association, Hyatt Regency Maui Resort and Spa, Pacific Beach Hotel, Four Seasons Resort Hualalai at Historic Kaupulehu, Four Seasons Resort Maui, Ma'alaea Surf Resort, The New Otani Kaimana Beach Hotel, Kona-Kohala Chamber of Commerce, Maui Chamber of Commerce, Kauai Chamber of Commerce, Best Western Pioneer Inn, Marriott Hawaii, Outrigger Hotels Hawaii, Westin Maui Resort & Spa, Waikiki Improvement Association, VIP Foodservice, Kahana Falls Resort, and a few concerned individuals supported this measure. The Department of Budget and Finance, Office of the Mayor of the City and County of Honolulu, Office of the Mayor of the County of Hawaii, Office of the Mayor of the County of Maui, Department of Finance of the County of Kauai, Hawaii Council of Mayors, a member of the City Council of Honolulu, a member of the Hawaii County Council, a member of the Maui County Council, seven members of the Kauai County council, and a concerned individual opposed this bill. The Department of Taxation, Tax Foundation of Hawaii, The Chamber of Commerce of Hawaii, Kohala Coast Resort Association, ILWU Local 142, United Public Workers AFSCME Local 646 AFL-CIO, and Starwood Hotels and Resorts provided comments.

Your Committee has amended this measure by adopting the Proposed Draft and making the following additional amendments:

- (1) Specifying additional Transient Accommodations Tax rates for the following periods:
 - (A) July 1, 2009, to June 30, 2010;
 - (B) July 1, 2010, to June 30, 2013; and
 - (C) July 1, 2013, and thereafter; and
- (2) Providing that no more than \$71,000,000 per fiscal year will be deposited into the Tourism Special Fund for any period beginning on July 1, 2012, and thereafter, rather than from July 1, 2012, to June 30, 2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1194, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1194, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1470 Finance on S.B. No. 458

The purpose of this measure as received by your Committee is to modify the funding resources for public school facilities by repealing the State Educational Facilities Improvement Special Fund (Special Fund) on July 1, 2023.

In addition, this measure facilitates the repeal of the Special Fund by:

- (1) Immediately repealing the required deposit of a portion of certain general excise tax revenues into the Special Fund;
- (2) Limiting expenditures from the Special Fund to projects authorized by the Legislature for fiscal years ending prior to July 1, 2014;
- (3) Providing that lease payments made from the Lease Payments for Schools Account within the Special Fund pursuant to financing agreements shall only be made for financing agreements entered into prior to July 1, 2013;
- (4) Repealing statutory provisions exempting the Special Fund from the payment of central service and administrative expenses; and
- (5) Repealing the statutory provision authorizing the Department of Education to enter into financing agreements in accordance with the Special Fund.

For purposes of the public hearing on this bill, your Committee circulated a Proposed H.D. 1 (Proposed Draft) and notified the public that testimony would be accepted on the Proposed Draft. The Proposed Draft is substantially similar to S.B.458, H.D.1, as received by your Committee, but was further amended by adding a new Part III which:

- (1) Repeals the Department of Education's flexibility to transfer funds and positions except with respect to appropriations for financing agreements; and
- (2) Repeals the Department of Education's authority to create temporary positions.

The Department of Budget and Finance testified in support of the Proposed Draft. The Department of Education opposed the Proposed Draft. The Tax Foundation of Hawaii offered comments.

Your Committee considered the merits of both S.B. No. 458, S.D. 1, as received by your Committee, and the Proposed Draft. Upon careful consideration, your Committee retained the language of S.B. No. 458, S.D. 1, as received by your Committee, and amended the measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 458, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 458, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 1471 Finance on S.B. No. 948

The purpose of this measure, as received by your Committee, is to implement Hawaii's participation in the national Streamlined Sales and Use Tax Agreement by:

- (1) Amending Hawaii's tax laws to allow the State to participate in the national Streamlined Sales and Use Tax Agreement; and
- (2) Creating a committee to oversee the Department of Taxation's implementation and administration of, and compliance with the Streamlined Sales and Use Tax Agreement.

For the purposes of a public hearing, your Committee circulated Proposed S.B. No. 948, S.D.1, H.D.1 and notified the public that it would accept testimony on the proposal which among other things:

- (1) Expands the application of the general excise tax to include sales activities in the State that are significantly associated with a seller's ability to establish or maintain a market in the State;
- (2) Creates a presumption under the general excise tax law that a seller of tangible personal property is engaged in business in the State if the seller's activities in the State demonstrate a significant business nexus with the State; and
- (3) Creates a presumption under the use tax law that a seller is engaged in business in the State if the seller's activities in the State demonstrate a significant business nexus with the State.

Retail Merchants of Hawaii and Walgreens provided testimony in support of this measure. The Department of Taxation, Tax Foundation of Hawai'i, The Chamber of Commerce of Hawaii, and Hawaii Association of REALTORS provided comments on this measure.

Upon consideration, your Committee has adopted the Proposed Draft of this measure with technical, nonsubstantive amendments made for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 948, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 948, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.
(Representatives Fukumoto and Ward voted no.)

SCRep. 1472 Finance on S.B. No. 1361

The purpose of this measure is to establish the Banyan Drive Community Development Board to advise the Department of Land and Natural Resources on the restoration and management of the Banyan Drive area.

A Hawaii County Council Member provided testimony in support of this measure. The Department of Land and Natural Resources provided testimony in opposition to this measure. The Mayor of the County of Hawaii, Department of the Attorney General, and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1361, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1473 Finance on S.B. No. 1133

The purpose of this measure is to amend the Deposit Beverage Container Program to remove the exemption for dietary supplement containers and add an exemption for containers of liquid deemed to be the sole item of a meal or a diet.

The Department of Health; Sierra Club, Hawaii Chapter; Reynolds Recycling; and a few concerned individuals offered testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1133, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1474 Finance on S.B. No. 515

The purpose of this measure is to assist individuals who face or experience homelessness by funding and establishing various homeless and housing programs. Among other things, this measure:

- (1) Appropriates funds to:
 - (A) The Department of Human Services to assist families experiencing, and at risk of experiencing homelessness, with housing

placement and employment services;

- (B) The Department of Health to provide clean and sober housing support services;
 - (C) The Department of Human Services to support the State's Housing First Program for chronically homeless individuals in the State; and
 - (D) The Department of Human Services to provide matching funds for the United States Department of Housing and Urban Development's Shelter Plus Care Program;
- (2) Establishes and appropriates funds for the Return-to-Home Program, a voluntary assistance program to provide eligible homeless individuals with assistance in being reunited with family and relatives in the individual's home state outside of Hawaii;
 - (3) Authorizes and appropriates funds for the designation of temporary nighttime parking lots as safe overnight locations for homeless persons to live and sleep in their motor vehicles that would otherwise be parked on private or public roads or property; and
 - (4) Appropriates funds to the Department of Human Services to establish safe haven campsites, with and without durational restrictions, for persons who are homeless.

The Community Alliance for Mental Health, United Self Help, and Catholic Charities Hawaii supported this measure. The Department of Budget and Finance, Department of Human Services, Department of Health, City and County of Honolulu, Partners In Care, Housing Hawaii, Hawaii Applesseed Center for Law and Economic Justice, and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 515, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.
(Representative Cullen voted no.)

SCRep. 1475 Finance on S.B. No. 573

The purpose of this measure is to assist school teachers, special education teachers, school librarians, and school counselors by establishing a tax credit for specified expenses paid or incurred by such individuals for supplementary materials acquired for use in the classroom.

The Executive Director of the Hawaii Teacher Standards Board and three concerned individuals supported this measure. The Department of Taxation, Tax Foundation of Hawaii, and IMUAlliance offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 573, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1476 Finance on S.B. No. 1100

The purpose of this measure is to provide an additional means of funding shortfalls in the Department of Human Services' (DHS) General Assistance to Households without Minor Dependents program by enabling DHS to draw from other funds appropriated to it should the General Assistance appropriation (HMS 204) be insufficient to meet General Assistance benefits payments. This measure also requires DHS to submit a report to the Legislature prior to the 2014 Regular Session detailing the funds used and calculations made for General Assistance for fiscal year 2012-2013.

The DHS and a concerned individual supported this measure. A concerned individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1100, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1477 Finance on S.B. No. 540

The purpose of this measure is to make permanent the repeal of residency requirements and establishment of eligibility requirements in conformity with United States Department of Veterans Affairs and National Cemeteries Administration eligibility requirements for burial in a national or state cemetery in Hawaii.

Veterans of Foreign Wars Department of Hawaii, State Office of Veterans Services, the National Association for Uniformed Services Hawaii Chapter, and one concerned individual testified in support. The State Department of Defense commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 540 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1478 Finance on S.B. No. 551

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, Operation Enduring Freedom, the Global War on Terrorism, Homeland Defense, and Operation Noble Eagle, as well as those who have protected our borders by land, sea, and air by directing the Office of Veterans Services, with the assistance of the Department of Accounting and General Services, State Department of Defense, and the State Historic Preservation Division, to develop plans to establish a memorial honoring the veterans of these campaigns.

The Office of Veterans Services and two concerned individuals testified in support of this measure. The Department of Accounting and General Services and Veterans of Foreign Wars, Department of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 551, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1479 Finance on S.B. No. 750

The purpose of this measure is to promote development of the State's media sector by establishing an income tax credit for the development of qualified media infrastructure programs in designated or qualifying geographic areas of the State.

Island Film Group and one concerned individual testified in support of this measure. The Department of Taxation; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 750, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1480 Finance on S.B. No. 933

The purpose of this measure is to ensure the availability of high-quality, low-cost health care services to members of the uniformed services and their families by making permanent the state general excise tax exclusion for amounts received by a managed care support contractor of the TRICARE program for the actual cost or advancement to third-party health care providers, pursuant to a contract with the United States for the administration of the TRICARE program.

The Tax Foundation of Hawaii and UnitedHealthcare, Military and Veterans Services commented on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 933, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1481 Finance on S.B. No. 1258

The purpose of this measure is to increase transparency in the real estate appraisal process for arbitration awards that determine the market value or market rent of real property by requiring real estate appraisers acting as arbitrators to record all arbitration awards with the Bureau of Conveyances, along with any separately issued records of the award and any related supplementary, dissenting, or explanatory opinions within 90 days of the determination of the award and notification to the parties of the determination.

Grace Pacific Corporation; Mutual Plumbing Supply Co., Inc.; Sand Island Business Association; Citizens for Fair Valuation; Olelo Community Media; and numerous individuals provided testimony in support of this measure. The Land Use Research Foundation and Appraisal Institute provided testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1258, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1482 Finance on S.B. No. 343

The purpose of this measure is to take proactive steps to prevent tooth decay among Hawaii's children by:

- (1) Requiring the Director of Health to participate in the national oral health surveillance system database;
- (2) Authorizing dental hygienists to apply preventative sealants, in consultation with a licensed dentist, in school-based dental sealant programs or at federally qualified health centers; and
- (3) Requiring and making an appropriation to the Department of Health to establish and administer a school-based dental sealant program

in a high-need demonstration school and submit a report to the Legislature prior to the 2015 Regular Session on its efforts.

The Department of Education, State Council on Developmental Disabilities, Hawaii Dental Hygienists' Association, Board of Dental Examiners, and two concerned individuals supported this measure. The Hawaii Dental Association and a concerned individual opposed this measure. The Department of Health, Good Beginnings Alliance, and two concerned individuals commented on this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 343, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1483 Judiciary on H.C.R. No. 6

The purpose of this measure is to:

- (1) Commemorate the twentieth anniversary of the Apology Resolution, Public Law 103-150;
- (2) Recognize the progress that has been made towards reconciliation and Native Hawaiian self-governance and self-determination;
- (3) Reaffirm the State's commitment to reconciliation with the Native Hawaiian people for historical injustices;
- (4) Urge the federal government to advance reconciliation efforts with Native Hawaiians; and
- (5) Express the Legislature's support of efforts to further the self-determination and sovereignty of Native Hawaiians.

The Office of Hawaiian Affairs, Papakolea Community Development Corporation, Association of Hawaiian Civic Clubs, and numerous concerned individuals supported this measure. The Center of Hawaiian Sovereignty Studies opposed this measure. A concerned individual offered comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 6, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 6, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1484 Economic Development & Business on S.B. No. 48

The purpose of this measure is to assist the Department of Education by lessening the burden of obligations outside of its core mission by:

- (1) Removing a representative of the Department as a member of the Hawaii Aerospace Advisory Committee; and
- (2) Removing the Department from the list of state agencies with the responsibility to implement the Ocean Resources Management Plan for purposes of coastal zone management.

The Department of Education testified in support of this measure. The Hawaii Aerospace Advisory Committee, former Governor George Ariyoshi, and two concerned individuals submitted testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism and Office of Planning offered comments.

Your Committee has amended this measure by:

- (1) Deleting language that removed a representative of the Department of Education as a member of the Hawaii Aerospace Advisory Committee; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 48, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 48, H.D. 1.

Signed by all members of the Committee except Representative Choy.

SCRep. 1485 Consumer Protection & Commerce on S.B. No. 512

The purpose of this measure is to provide a limited exemption from contractor licensing requirements for certain individuals qualified to work with high voltage (six hundred volts or higher), who are not licensed in the State but are otherwise deemed qualified by and contracted with an electric utility regulated by the Public Utilities Commission.

The Board of Electricians and Plumbers, Hawaiian Electric Company, Hawaii Electric Light Company, and Maui Electric Company provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying that the exemption from the licensing requirements of chapter 448E, Hawaii Revised Statutes, applies to employees of an electrical contractor duly licensed in the State; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 512, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 512, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1486 Judiciary on S.B. No. 4

The purpose of this measure is to increase the safety of motor vehicle occupants by requiring all front and back seat passengers to be restrained by a seat belt assembly or child passenger restraint while the motor vehicle is being operated upon any public highway.

The Department of Health, Department of Transportation, State Hawaii Safety Council, Honolulu Police Department, AAA Hawaii, American Medical Response, Healthcare Association of Hawaii, Injury Prevention Advisory Committee, Mothers Against Drunk Driving HAWAII, The Queen's Health Systems, and two concerned individuals submitted testimony in support of the measure. The State Farm Mutual Automobile Insurance Company and Safe Community of Maui offered comments on the measure.

Your Committee has amended this measure by changing its effective date to be effective upon approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 4, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 4, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1487 Judiciary on S.B. No. 1106

The purpose of this measure is to allow child care programs licensed or certified by the United States Department of Defense or licensed by the Hawaii Council of Private Schools to be exempt from child care licensing by the Department of Human Services; provided that for child care programs licensed by the Hawaii Council of Private Schools, the child care licensing standards of the Hawaii Council of Private Schools meet or exceed the licensing standards of the Department of Human Services.

The Department of Human Services, Executive Office on Early Learning, and Hawaii Association of Independent Schools supported this measure. The Hawaii Association for the Education of Young Children opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2013; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1106, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1106, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1488 Judiciary on S.B. No. 529

The purpose of this measure is to support survivors of rape or sexual assault by:

- (1) Prohibiting family courts from awarding custody of or visitation with a child to a natural parent who has been convicted of rape or sexual assault if the child was conceived as a result of that offense; and
- (2) Authorizing the family courts to terminate parental rights, with respect to a child, of a natural parent who has been convicted of rape or sexual assault if the child was conceived as a result of the rape or sexual assault.

The Hawaii Commission on the Status of Women, the Sex Abuse Treatment Center, and several concerned individuals testified in support of this measure.

Your Committee notes that both men and women can be the victim of sexual assault or rape. Therefore, your Committee has amended this measure by:

- (1) Changing the language of its purpose section to ensure that it is gender neutral; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 529, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 529, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1489 Judiciary on S.B. No. 88

The purpose of this measure is to better regulate the consumption of alcoholic beverages in public housing by prohibiting possessing or keeping any bottle, can, or other receptacle containing any intoxicating liquor that has been opened, has a broken seal, or the contents of which have been partially removed while on any sidewalk or common area within a public housing project.

The Hawaii Public Housing Authority provided testimony in support of this measure. The Office of the Public Defender provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the prohibitions established by this measure apply to both state and federal low-income housing projects;
- (2) Specifying that the prohibited conduct is a violation;
- (3) Providing that a person may transport a partially full container of liquor to or from the person's residence, a vehicle, or another dwelling unit in the public housing project if the container is sealed or closed with a cork or lid;
- (4) Making it effective on July 1, 2013; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 88, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 88, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1490 Judiciary on S.B. No. 1176

The purpose of this measure is to improve the parole system in Hawaii by ensuring the timely nomination of new members to the Hawaii Paroling Authority, requiring the release of parole hearing decisions within a specified timeframe after the hearing, and establishing how quorum is determined for action on matters before the Hawaii Paroling Authority. Specifically, this measure:

- (1) Allows the Chief Justice of the Hawaii Supreme Court, Director of Public Safety, President of the Hawaii State Bar Association, and President of the Hawaii Chapter of the National Association of Social Workers to appoint designees to represent them on the Hawaii Paroling Authority nomination panel that nominates members of the Authority for the Governor's consideration;
- (2) Requires certain information regarding parole decisions by the Hawaii Paroling Authority to be made public no more than 30 days after a parole release hearing; and
- (3) Requires three Hawaii Paroling Authority panel members for a quorum for a parole release hearing, unless there is a recusal due to a conflict of interest, in which case two panel members will satisfy the quorum requirement.

The Department of Public Safety, Hawaii Paroling Authority, and one concerned individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing the panel to proceed with two members if it is determined by the chairperson of the Hawaii Paroling Authority that a sitting panel member is excused for good cause, including recusal or unanticipated absence;
- (2) Making it effective upon approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1176, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1176, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1491 Judiciary on S.B. No. 1177

The purpose of this measure is to improve the effectiveness of the Reentry Commission by replacing the Reentry Coordinator with the Director of

Public Safety as an ex officio, nonvoting member of the Reentry Commission.

The Department of Public Safety testified in support of this measure.

Your Committee has amended this measure by:

- (1) Allowing the Director of Public Safety to appoint a designee to serve as a member of the Reentry Commission in the Director's place; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1177, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1177, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1492 Finance on S.B. No. 332

The purpose of this measure is to protect employees by expanding the wage information required to be provided on employee pay statements and included in employer records to include employee pay rates and basis of calculation.

The Department of Labor and Industrial Relations and United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 1, 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 332, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 332, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1493 Finance on S.B. No. 883

The purpose of this measure is to establish a new collective bargaining unit for state law enforcement officers and state and county ocean safety and water safety officers.

The Department of Land and Natural Resources; Honolulu Emergency Services Department of the City and County of Honolulu; Ocean Safety and Lifeguard Services Division of the City and County of Honolulu; Sheriff Division; Hawaiian Lifeguard Association; North Shore Lifeguard Association; Outrigger Hotels Hawaii; Kauai Lifeguard Association; and numerous concerned individuals supported this measure. The Department of Public Safety; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and State of Hawaii Organization of Police Officers provided comments.

Your Committee has amended this measure by:

- (1) Clarifying in the purpose section that the new collective bargaining unit applies to state law enforcement officers and state and county ocean safety and water safety officers, as opposed to all first responder employees within the State and county; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 883, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 883, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1494 Finance on S.B. No. 895

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for executive branch employees in collective bargaining unit (2) and their excluded counterparts.

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 895, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 895, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1495 Finance on S.B. No. 904

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2011-2013.

The Hawaii Government Employees Association supported this measure. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 904, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 904, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1496 Finance on S.B. No. 905

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 905, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 905, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1497 Finance on S.B. No. 906

The purpose of this measure is to appropriate and authorize funds for the Hawaii Employee-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (3) and their excluded counterparts.

The Department of Budget and Finance and the Hawaii Government Employees Association testified in support of this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 906, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 906, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1498 Finance on S.B. No. 907

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 907, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 907, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1499 Finance on S.B. No. 908

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2011-2013.

The Hawaii Government Employees Association supported this measure. The Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 908, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 908, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1500 Finance on S.B. No. 909

The purpose of this measure is to provide a legislative means to fund the Hawaii Employer-Union Health Benefits Trust Fund costs for executive branch employees in collective bargaining unit (13) and their excluded counterparts.

The Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 909, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 909, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1501 Finance on S.B. No. 910

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (3) and their excluded counterparts.

The Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 910, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 910, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1502 Finance on S.B. No. 911

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (13) and their excluded counterparts.

The Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 911, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 911, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1503 Finance on S.B. No. 23

The purpose of this measure is to continue to support the development of efficient energy systems in Hawaii by authorizing the issuance of special purpose revenue bonds of up to \$200,000,000, for Kaiuli Energy, LLC to plan, design, and construct a seawater air conditioning district cooling system in and around Waikiki, on the island of Oahu.

The High Technology Development Corporation; Kaiuli Energy, LLC; Makai Ocean Engineering, Inc.; Blue Planet Foundation; and Ulupono Initiative testified in support of this measure. The Department of Budget and Finance offered comments.

Your Committee has amended this measure by:

- (1) Removing the \$200,000,000 special purpose revenue bond appropriation limit and setting the limit, instead, at an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 23, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 23, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1504 Finance on S.B. No. 524

The purpose of this measure is to enhance food security and self-sufficiency in the State by:

- (1) Establishing state economic planning and policy objectives regarding increased demand for, access to, and production of locally grown foods; and
- (2) Appropriating funds to support the objective of food security and self-sufficiency.

The Hawaii Farm Bureau Federation and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources and Department of Agriculture provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of furthering discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 524, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 524, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1505 Finance on S.B. No. 98

The purpose of this measure is to reduce the tax liability for low-income taxpayers by replacing the refundable food/excise tax credit with a non-

refundable low-income tax credit that will reduce a taxpayer's income tax amount if the taxpayer's adjusted gross income falls below certain thresholds.

A concerned individual supported this measure. The Department of Human Services; Department of Taxation; Tax Foundation of Hawaii; PHOCUSED; Goodwill Industries of Hawaii, Inc.; Catholic Charities Hawaii; Hawaii Appleseed Center for Law and Economic Justice; and a concerned individual commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 98, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 98, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1506 Finance on S.B. No. 815

The purpose of this measure is to assist infants and toddlers in overcoming the negative consequences stemming from maltreatment by appropriating funds for the Judiciary's Zero To Three Court for infants and toddlers in child welfare cases.

The Judiciary, Hawaii Family Support Institute, and an individual testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount of \$130,000 for each year of fiscal biennium 2013-2015 to fund the Judiciary's Zero To Three Court Program to an unspecified amount; and
- (2) Changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 815, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1507 Finance on S.B. No. 84

The purpose of this measure is to amend the definition of "public housing project" to correspond to the federal Department of Housing and Urban Development's definition of housing that may be administered by a state public housing authority.

The Hawaii Public Housing Authority and Community Alliance for Mental Health along with United Self Help testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 84, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 84, H.D. 2.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1508 Finance on S.B. No. 1025

The purpose of this bill is to update the Hula Mae Single Family Mortgage Loan Program by:

- (1) Eliminating certain eligibility criteria to allow more households to participate in accordance with federal law;
- (2) Including down payment assistance as a new feature of the program; and
- (3) Deleting provisions that relate to inactive programs.

The Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and Hawaii Association of Realtors testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1025, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1025, H.D. 3.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1509 Finance on S.B. No. 403

The purpose of this measure is to provide greater flexibility to the Office of Hawaiian Affairs in issuing revenue bonds and expending the revenues derived therefrom. Specifically, this measure, among other things:

- (1) Provides that the interest on revenue bonds issued by the Board of Trustees of the Office of Hawaiian Affairs may be excluded from gross income for federal income tax purposes in accordance with federal law;
- (2) Expands the purposes for which the revenues from the issuance of bonds may be expended, including by authorizing the Office of Hawaiian Affairs to undertake and fund loan programs;
- (3) Adds new and clarifies existing definitions related to the issuance and purpose of revenue bonds; and
- (4) Allows the Board of Trustees of the Office of Hawaiian Affairs to refund outstanding bonds without further authorization from the Legislature.

The Association of Hawaiian Civic Clubs and a few concerned individuals testified in support of this measure. The Center for Hawaiian Sovereignty Studies opposed this measure. The Department of Budget and Finance and Office of Hawaiian Affairs offered comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 403, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 403, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1510 Finance on S.B. No. 407

The purpose of this measure is to protect native Hawaiian burial sites by clarifying ambiguous statutory language regarding composition and quorum requirements for island burial councils.

The Association of Hawaiian Civic Clubs, Kuakini Hawaiian Civic Club of Kona, and a few individuals testified in support of this measure. The Department of Land and Natural Resources, Department of the Attorney General, Office of Hawaiian Affairs, and an individual provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 407, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 407, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1511 Finance on S.B. No. 498

The purpose of this measure is to address the emergency medical service needs of Maui's growing population by appropriating funds out of the Emergency Medical Services Special Fund to establish and fund a 24-hour, 7-days-a-week, special emergency medical response vehicle unit based in Maalaea, Maui.

The Healthcare Association of Hawaii, Hawaii State Rural Health Association, Ma'alaea Community Association, American Medical Response,

and numerous concerned individuals supported this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 498, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 498, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1512 Finance on S.B. No. 1074

The purpose of this measure is to regulate the practice of physical therapy by:

- (1) Requiring physical therapist assistants to be licensed and establishing licensing criteria;
- (2) Limiting the use of the titles "physical therapist assistant", "PTA", or any other term to imply that a person is a physical therapist assistant to licensed professionals;
- (3) Adding a physical therapist assistant to the Board of Physical Therapy to replace the physician member; and
- (4) Appropriating funds from the Compliance Resolution Fund to implement the licensure provisions.

The Board of Physical Therapy, Hookahi Leo Physical Therapist Assistants of Hawaii, The Queen's Health Systems, Kaiser Permanente Hawaii, the Hawaii Chapter of the American Physical Therapy Association, the Occupational Therapy Association of Hawaii, and many individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1074, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1074, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1513 Finance on S.B. No. 1124

The purpose of this measure is to facilitate expenditures from the Dietitian Licensure Special Fund to support the activities and costs associated with administering the Dietitian Licensure Program by:

- (1) Establishing an expenditure ceiling for the Dietitian Licensure Special Fund;
- (2) Requiring the transfer of funds in excess of the expenditure ceiling to the general fund at the end of each fiscal year; and
- (3) Requiring the Department of Health to submit a report to the Legislature on the status of the Dietitian Licensure Special Fund no later than 20 days prior to the convening of each regular session.

The Department of Health and Hawai'i Dietetic Association testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1124, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1124, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1514 Finance on S.B. No. 1254

The purpose of this measure is to protect public health and safety and assist the City and County of Honolulu Emergency Medical Services

Division with expanding emergency medical services and ambulance services in Ewa Beach by appropriating funds to increase the on-call availability of such services in Ewa Beach to 24 hours per day.

The Honolulu Emergency Services Department, Emergency Medical Services Division; Healthcare Association of Hawaii; The Queen's Health Systems; Pali Momi Medical Center; and United Public Workers AFSCME, Local 646, AFL-CIO testified in support of this measure. The Department of Health provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1254, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1254, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1515 Finance on S.B. No. 1336

The purpose of this measure is to support access to acute, long term, and emergency medical care in our State, particularly in rural areas, by designating Kahuku Medical Center as a rural hospital for an unspecified amount of time to enable the Medical Center to maintain its status as a critical access hospital.

The Department of Health; Hawaii Health Systems Corporation; Healthcare Association of Hawaii; Kahuku Medical Center; and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1336, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1336, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1516 Finance on S.B. No. 1221

The purpose of this measure is to support the development of aviation and aeronautics in the State by appropriating \$350,000 in general revenues for each year of fiscal biennium 2013-2015 for a Program Coordinator and technical support staff member to complete the necessary planning and studies required for an international flight training center and associated proposed aeronautical training programs at Hawaii Community College and the University of Hawaii at Hilo.

The Department of Transportation, Office of the Mayor of Hawaii County, Hawaii's Congressional Representative from the Second District, State Adjutant General, District 3 Councilmember of the Hawaii County Council, Hawaii Island Contractors' Association, and numerous concerned individuals supported this measure. Two concerned individuals opposed this measure. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Making unspecified the appropriation amount for the Program Coordinator and technical support staff member;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1221, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1221, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1517 Finance on S.B. No. 879

The purpose of this measure is to encourage the cooperation of witnesses in state court proceedings by:

- (1) Increasing the amount of the per diem stipend for out-of-state witnesses to \$145 per twenty-four-hour day; and

- (2) Providing an additional amount of \$90 per twenty-four-hour day for witnesses who must travel to another island and are required to stay overnight.

The Department of the Prosecuting Attorney of the City and County of Honolulu and Crime Victim Compensation Commission supported this measure. The Department of Budget and Finance and Hawai'i Tourism Authority provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 879, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 879, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1518 Finance on S.B. No. 1010

The purpose of this measure is to permit deputy attorneys general other than the Attorney General's first deputy, to provide pro bono legal services at the discretion of the Attorney General.

The Hawaii Access to Justice Commission supported this measure. The Hawaii State Ethics Commission and Department of the Attorney General provided comments.

Your Committee has amended this measure by clarifying that no deputy attorney general shall be required to provide pro bono legal services.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1010, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1010, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1519 Finance on S.B. No. 1003

The purpose of this measure is to enhance protections for State data and information by authorizing the Chief Information Officer to conduct security audits of all Executive Branch departments and agencies regarding the protection of government information and data communication infrastructure.

The Department of Human Resources Development, Department of Transportation, and Office of Information Management and Technology testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying provisions in the measure that ensure audits conducted under the new section shall not infringe upon responsibilities assigned to the comptroller or auditor by any state or federal law; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1003, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1003, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1520 Finance on S.B. No. 614

The purpose of this measure is to honor the memory of the late United States Senator Daniel K. Inouye and the late United States Representative Patsy T. Mink and to use their examples to inspire current and future generations by:

- (1) Requiring the Comptroller and the State Foundation on Culture and the Arts to commission permanent works of art to portray the life, vision, accomplishments, impact, and legacy of these individuals; and
- (2) Appropriating \$250,000 for each year of the 2013-2015 fiscal biennium to carry out the purposes of this measure.

The United Public Workers, AFSCME, Local 646, AFL-CIO, supported this measure. The State Foundation on Culture and the Arts submitted comments.

It is your Committee's intent that as this measure moves through the legislative process, consideration be given to honoring the memories of other former members of Hawaii's Congressional delegation through permanent works of art.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation to an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 614, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 614, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1521 Finance on S.B. No. 1235

The purpose of this measure is to promote the revitalization of the Hawaiian language by:

- (1) Requiring the Director of Commerce and Consumer Affairs to work with various interested stakeholders to assess the best method of ensuring dedicated funding for the development of a Hawaiian television channel; and
- (2) Appropriating funds for the production and distribution of Hawaiian language content on cable television by ‘Ōiwi TV.

‘Aha Pūnana Leo, ‘Ōiwi TV, BBC ALBA, Aboriginal Peoples Television Network, Māori Television, Kamehameha Schools, and an individual provided testimony in support of this measure. Akaku: Maui Community Television and a few individuals provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1235, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1235, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1522 Finance on S.B. No. 606

The purpose of this measure is to assist student employees attending University of Hawaii campuses by appropriating \$5,200,000 in general revenues, for each year of fiscal biennium 2013-2015, to:

- (1) Fund students employed at new or expanded worksites at each University of Hawaii campus; and
- (2) Provide full-time support staff to assist the Vice Chancellor for Students at the University of Hawaii at Manoa with coordination, recruitment, training, and compliance with system-wide procedures and student employment regulations.

A concerned individual supported this measure. The University of Hawaii at Manoa offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation of \$5,200,000 in general revenues for each year of fiscal biennium 2013-2015 to an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 606, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 606, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1523 Finance on S.B. No. 877

The purpose of this measure is to authorize the Hawaii Labor Relations Board to provide parties with written notice of a hearing by first class mail and to clarify the powers of the Board, including to compel testimony and the production of evidence and to sanction misconduct, in conducting hearings.

The Department of Labor and Industrial Relations testified in support of this measure.

Your Committee has amended this measure by:

- (1) Defining the term "contemptuous conduct" to enhance the clarity of the measure;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 877, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 877, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Cullen.

SCRep. 1524 Finance on S.B. No. 896

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (2) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance; University of Hawai'i; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 896, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 896, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1525 Finance on S.B. No. 897

The purpose of this measure is to provide a legislative means to fund Hawaii Employer-Union Health Benefits Trust Fund costs for executive branch employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance, University of Hawai'i, and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 897, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 897, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1526 Finance on S.B. No. 898

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance, University of Hawai'i, and Hawaii Government Employees Association supported this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 898, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 898, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1527 Finance on S.B. No. 899

The purpose of this measure is to provide a legislative means to fund the Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (6) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 899, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 899, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1528 Finance on S.B. No. 901

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (6) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 901, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 901, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1529 Finance on S.B. No. 902

The purpose of this measure is to provide a legislative means to fund the Hawaii Employer-Union Health Benefits Trust Fund costs for employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance, University of Hawai'i, and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 902, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 902, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1530 Finance on S.B. No. 903

The purpose of this measure is to provide a legislative means to fund collective bargaining cost items for the employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance, University of Hawai'i, and Hawaii Government Employees Association supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 903, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 903, H.D. 1.

Signed by all members of the Committee.

SCRep. 1531 Finance on S.B. No. 105

The purpose of this measure is to support the health and well-being of the elderly population by requiring the Department of Health's Emergency Medical Services and Injury Prevention System Branch to establish and maintain a statewide Fall Prevention and Early Detection Program and appropriating funds for that purpose.

The Executive Office on Aging testified in support of this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 105, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 105, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1532 Finance on S.B. No. 199

The purpose of this measure is to facilitate early detection of colorectal cancer and assist individuals who have been diagnosed with it by establishing the two-year Hawaii Colorectal Cancer Screening Awareness Pilot Program and appropriating an unspecified amount of funds for its establishment.

The Department of Health, American Cancer Society Cancer Action Network, and Hawaii Medical Association testified in support of this measure. The Attorney General and The Queen's Health Systems provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 199, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 199, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1533 Finance on S.B. No. 1339

The purpose of this measure is to ensure that the State's rural communities continue to be eligible for federal programs by designating areas in the State as rural for the purposes of eligibility for federal programs that require such a designation under state or federal law.

The Department of Health, the Office of Hawaiian Affairs, the Healthcare Association of Hawaii, and a concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1339, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1339, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1534 Finance on S.B. No. 635

The purpose of this measure is to protect law enforcement animals in the line of duty by creating the offenses of cruelty to a law enforcement animal in the first and second degree, establishing penalties, providing exceptions to the offenses, providing for affirmative defenses, and providing for restitution to affected parties.

The Department of Public Safety, Honolulu Police Department, Humane Society of the United States-Hawaii, West Hawaii Humane Society, and a concerned individual supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu and the Hawaiian Humane Society offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 635, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 635, S.D. 1, H.D. 3.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1535 Finance on S.B. No. 94

The purpose of this measure is to provide for the appointment of a House of Representatives member and a Senate member to serve as alternate members on the Hawaii Interagency Council on Homelessness in the absence of the House and Senate member, respectively.

The Department of Human Services, Department of Health, Hawaii Public Housing Authority, and Catholic Charities Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 94, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 94, H.D. 2.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1536 Finance on S.B. No. 1209

The purpose of this measure is to authorize the Director of Transportation, upon written application, to issue a written permit authorizing the applicant to vend in the airspace above a state highway.

The Department of Transportation provided comments.

Your Committee has amended this measure by:

- (1) Deleting language that required a risk of or a hazardous condition or nuisance to trigger the prohibition on vending along public highways;
- (2) Specifying the types of vending activities that are prohibited on state highways; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1209, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1209, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1537 Finance on S.B. No. 1214

The purpose of this measure is to regulate wheel booting by, among other things, authorizing counties to enact ordinances permitting the county police department or any other designated county agent to apply a wheel boot to any motor vehicle for any parking violation.

The Hawaii State Towing Association testified in support of this measure. The Department of Transportation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting a new section to repeal the statutory establishment of the Commission on Transportation within the Department of Transportation; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1214, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1214, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1538 Finance on S.B. No. 239

The purpose of this measure is to improve the administration of the annual Conference of Secondary School Students by, among other things:

- (1) Amending the statutory placement of provisions governing the Conference of Secondary School Students by incorporating such provisions within Chapter 302A, Hawaii Revised Statutes, which governs public education; and
- (2) Amending provisions regarding the format, appointment of members, conduct, duties, guidance, time-frame, funding, and evaluation of the Conference of Secondary School Students.

The Department of Education and Hawaii Association of Independent Schools submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 239, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 239, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1539 Finance on S.B. No. 1082

The purpose of this measure is to provide greater flexibility to the Department of Education in the contracting of student transportation by repealing certain statutory regulations pertaining to student transportation including, among other things:

- (1) Factors the Department must consider when developing transportation policy, procedures, and programs;
- (2) Requirements related to school bus contract extensions and school bus contractor compensation; and
- (3) Specified limits on the age of school bus vehicles and requirements for periodic refurbishment.

The Department of Education testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1082, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1540 Health on S.B. No. 44

The purpose of this measure is to assist the mental health community by:

- (1) Broadening the types of law-enforcement personnel, to include law-enforcement officers as defined in the laws relating to offenses against public administration, rather than only police officers, who are authorized to:
 - (A) Apprehend and return persons, who leave or remain away from Director of Health-contracted or -operated facilities or

services without permission, to the facility or services;

- (B) Call mental health emergency workers for assistance if the law enforcement officer has reason to believe that the person is imminently dangerous to self or others, is gravely disabled, or obviously ill; and
 - (C) Take into custody and transport to any facility designated by the Director of Health, any person threatening or attempting suicide for emergency examination and treatment; and
- (2) With respect to initiating emergency admission proceedings, enabling advanced practice registered nurses to:
- (A) Apply orally or in writing to a court; and
 - (B) Direct transportation, by ambulance or other suitable means, to a licensed psychiatric facility for further evaluation and possible emergency hospitalization, if the advanced practice registered nurse has examined the person and has reason to believe the person is mentally ill or suffering from substance abuse; imminently dangerous to self or others, gravely disabled, or obviously ill; and in need of care or treatment.

The Department of Public Safety, University of Hawaii at Manoa School of Nursing & Dental Hygiene, Hawaii Association of Professional Nurses, Hawaii State Center for Nursing, Hawaii Substance Abuse Coalition, Community Alliance for Mental Health, United Self Help, and several individuals supported this measure. The Department of the Attorney General supported this measure with amendments. The Department of Health supported the intent of this bill. The American Association of Nurse Practitioners provided comments.

Your Committee has amended this measure by enabling advanced practice registered nurses to administer treatment as is medically necessary, for a person's safe transportation, with regard to the laws relating to emergency examination and hospitalization.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 44, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 44, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Cheape.

SCRep. 1541 Consumer Protection & Commerce/Judiciary on S.B. No. 642

The purpose of this measure is to protect public health by reducing the number of children who smoke and amending the Medical Use of Marijuana Law to address the concerns of Hawaii's seriously ill patients by:

- (1) Requiring cigarettes and tobacco products to be sold, offered for sale, or displayed only in a direct, face-to-face exchange between the retailer and the consumer;
- (2) Permitting the transfer of no more than the adequate supply amount of marijuana among registered medical use of marijuana patients and caregivers;
- (3) Defining permitted conduct of a qualifying medical use of marijuana patient licensed or registered in another jurisdiction and temporarily present in this State;
- (4) Amending age and other requirements for a registered primary caregiver, permitting reimbursement for services, and authorizing care of up to three qualifying patients;
- (5) Transferring certain functions regarding the issuance of certification, registration, and maintenance of registry information from the Department of Public Safety to the Department of Health and amending registration requirements for patients and caregivers; and
- (6) Specifying that there shall be no more than twenty-eight marijuana plants grown for medical use at a single property as defined by a single Tax Map Key.

The American Civil Liberties Union of Hawaii, American Cancer Society Cancer Action Network, Coalition for a Tobacco-Free Hawaii, Drug Policy Action Group, Community Alliance on Prisons, Drug Policy Forum of Hawaii, and numerous individuals testified in support of this measure. The Department of Public Safety, Department of the Prosecuting Attorney of the City and County of Honolulu, and an individual testified in opposition to this measure. The Department of Health, Department of the Attorney General, and Airport Concessionaires Committee provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that the cigarette and tobacco product regulations in this measure do not apply to in-bond concession;
- (2) Specifying that the display of cigarettes and tobacco products shall be permitted only behind the check-out counter and that cigarettes and tobacco products shall only be offered for sale if the customer specifically requests cigarettes or tobacco products;
- (3) Specifying that usable marijuana or any part of the marijuana plant may only be transferred among the primary caregiver and the two qualifying patients registered under the primary caregiver;
- (4) Deleting the language regarding authorized conduct by a visiting qualifying patient;
- (5) Reducing the number of marijuana plants allowed at a single property to twenty-one plants;

- (6) Specifying that a primary caregiver shall be responsible for the care of not more than two qualifying patients at any given time;
- (7) Specifying that the Department of Health shall issue to a registered primary caregiver a registration certificate that includes the name of the qualifying patients for whom the primary caregiver is responsible, and may charge a reasonable fee not to exceed \$35;
- (8) Inserting the contents of H.B. No. 668, H.D. 2, which, among other things:
 - (A) Establishes the Medical Marijuana Registry Revolving Fund to be administered by the Department of Health;
 - (B) Transfers the State's Medical Use of Marijuana Program from the Department of Public Safety to the Department of Health no later than June 30, 2014; and
 - (C) Requires the Department of Public Safety and the Department of Health to develop a plan for transferring the Medical Use of Marijuana Program by June 30, 2014;
- (9) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 642, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 642, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Ito.

SCRep. 1542 Consumer Protection & Commerce on S.B. No. 1075

The purpose of this measure is to require physical therapists to obtain continuing competence units in order to renew their licenses to practice.

Testimony in support of this measure was received from the Board of Physical Therapy.

Your Committee finds that minimizing ineffective or potentially harmful techniques in the practice of physical therapy requires an awareness of the current clinical research and methods. Accordingly, requiring licensed physical therapists to accumulate thirty continuing competence units in each license cycle will ensure that these professionals remain current and up-to-date in their practice.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1075 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1543 Consumer Protection & Commerce on S.B. No. 1076

The purpose of this measure is to amend the requirements for use of the title doctor of acupuncture.

Specifically, to use the title doctor of acupuncture, this measure requires:

- (1) For a licensee with a doctoral degree in acupuncture from an institute, school, or college in or under the jurisdiction of the United States, that the institute, school, or college be accredited by a body recognized by the United States Department of Education; and
- (2) For a licensee with a doctoral degree in acupuncture from an institute, school, or college in a foreign country, that:
 - (A) The licensee have the licensee's transcripts and curriculum professionally evaluated, at the licensee's expense, to determine whether the transcripts and curriculum are at least equivalent to the United States recognized doctoral program; and
 - (B) The foreign institute, school, or college is licensed, approved, or accredited by a governmental authority or agency recognized by the foreign government, whose curriculum is approved by the Board of Acupuncture.

This measure also repeals the Board of Acupuncture's authority to approve advanced acupuncture programs, as an alternative to earning a doctoral degree from an accredited university or college, to qualify licensees for use of the doctor of acupuncture title.

The Board of Acupuncture submitted testimony in support of this measure.

Your Committee finds that in 2002, the Accreditation Commission for Acupuncture and Oriental Medicine, a national accrediting agency recognized by the United States Department of Education for acupuncture and Oriental medicine programs, approved a doctoral program of study. Your Committee believes that it is appropriate for the Board of Acupuncture to defer to and rely upon the Accreditation Commission regarding accreditation of doctoral programs in acupuncture because of the commission's resources and expertise.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1076 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1544 Consumer Protection & Commerce on S.B. No. 423

The purpose of this measure is to correct the name of the organization that issues guidelines for in vitro fertilization clinics referenced in statutes relating to in vitro fertilization insurance coverage.

Your Committee received testimony in support of this measure from the Office of the Auditor.

Your Committee finds that this measure is necessary in order to amend the references to the "American College of Obstetric and Gynecology" in two insurance statutes to reflect the correct name "American College of Obstetricians and Gynecologists."

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 423 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1545 Consumer Protection & Commerce/Judiciary on S.B. No. 655

The purpose of this measure is to protect public health by allowing health care professionals to provide Expedited Partner Therapy by dispensing or prescribing antibiotic medication, without conducting a direct examination, to the heterosexual partners of patients diagnosed with a sexually transmitted disease in accordance with the recommendations of the Centers for Disease Control and Prevention.

The Department of Health; American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Medical Association; Hawaii Association of Professional Nurses, and two individuals testified in support of this measure. An individual testified in opposition to this measure. The Hawaii Medical Board provided comments on this measure.

Your Committees have amended this measure by:

- (1) Deleting references to "heterosexual" to prevent limiting the provision of Expedited Partner Therapy to only heterosexual partners of patients;
- (2) Including other sexually transmitted diseases that are or may be recommended by the Centers for Disease Control and Prevention for expedited partner therapy in the definition of "sexually transmitted disease"; and
- (3) Specifying that health professionals, licensed doctors, advanced practice registered nurses with prescriptive authority, and licensed pharmacists who provide Expedited Partner Therapy reasonably and in good faith in accordance with the law shall not be subject to civil or criminal liability and shall not be deemed to have engaged in unprofessional conduct, for providing that therapy.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 655, S.D. 2, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 655, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Cachola, Carroll and Ito.

SCRep. 1546 Consumer Protection & Commerce on S.B. No. 1073

The purpose of this measure is to establish a regulatory framework, compatible with the Patient Protection and Affordable Care Act, for dental service corporations in their provision or arrangement of dental insurance plans including:

- (1) Requirements for a certificate of authority to establish and operate a dental service corporation, including net worth requirements;
- (2) Reports to the Insurance Commissioner, including audits of financial statements, list of providers, and a description of grievance procedures;
- (3) Protections afforded enrollees and subscribers due to a corporation's insolvency, including required deposits by a corporation, immunities from the claim against a corporation, and provisions for replacement coverage;
- (4) Filing and service fees chargeable by the Commissioner to a corporation; and
- (5) The authority and power of the Commissioner to enforce the provisions and requirements contained in this measure.

The Hawaii Dental Association testified in support of this measure. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee has amended this measure by deleting from the definition of "uncovered expenditures" specific examples of services, the costs of which are considered uncovered expenditures.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1073, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1073, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Cachola, Carroll and Ito.

SCRep. 1547 Consumer Protection & Commerce on S.B. No. 470

The purpose of this measure is to prohibit retailers from passing certain credit card surcharges on to customers.

The Hawaii Bankers Association testified in support of this measure. Lockridge, Grindal, and Nauen, P.L.L.P. testified in opposition to this measure. Retail Merchants of Hawaii and the Hawaii Food Industry Association provided comments on this measure.

Your Committee finds that the testimony received on this measure was notably conflicting in terms of whether the proposed surcharge prohibition is needed and what its actual impact on consumers and businesses would be. However, since it raises important consumer and other issues, your Committee has amended this measure by changing its effective date to January 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 470, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 470, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1548 Consumer Protection & Commerce on S.B. No. 120

The purpose of this measure is to authorize the Public Utilities Commission to implement economic incentives and cost recovery methods to:

- (1) Support electric utilities' cost reduction efforts;
- (2) Encourage greater utilization of renewable energy;
- (3) Accelerate the retirement of fossil fuel-powered electricity generation facilities; and
- (4) Increase investments to modernize the State's electric grid.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism, Public Utilities Commission, Blue Planet Foundation, and one concerned individual.

Comments on this measure were submitted by the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs.

Your Committee finds that authorizing the Public Utilities Commission to establish policies and implement economic incentives and cost recovery regulatory mechanisms will encourage and support electric utilities to transition to a cleaner, more sustainable electricity production and distribution system.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 120, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1549 Consumer Protection & Commerce on S.B. No. 1045

The purpose of this measure is to clarify the regulatory authority of the Public Utilities Commission over electric cooperatives by:

- (1) Directing the Public Utilities Commission and the Division of Consumer Advocacy to specifically consider the ownership structure and interests of an electric cooperative in determining the scope and need for the application of any regulatory measure; and
- (2) Authorizing the Public Utilities Commission to waive or exempt an electric cooperative operating in the State from certain regulatory provisions by the Public Utilities Commission upon a finding that the provisions are inappropriate, unjust, unreasonable, or not in the public interest.

The Public Utilities Commission, Division of Consumer Advocacy, and the members of the Kauai County Council testified in support of this measure. Kauai Island Utility Cooperative testified in support of the intent of the measure. The Blue Planet Foundation testified in opposition to this measure.

Your Committee has amended this measure by deleting the language that specified that the granting of a waiver or exemption to an electric cooperative by the Public Utilities Commission does not affect the right of electric cooperative members or ratepayers to file a complaint with the Public Utilities Commission against an exempted electric cooperative, inasmuch as the right to file a complaint is provided in the rules of the Public Utilities Commission.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1045, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1045, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1550 Consumer Protection & Commerce on S.B. No. 19

The purpose of this measure is to remove ambiguity regarding the provision of electricity by landlords and lessors by exempting landlords and

lessors who install renewable energy systems on their property and provide, sell, or transmit electricity generated from those renewable energy systems to tenants or lessees on the premises, from the definition of public utility.

Blue Planet Foundation; NAIOP, the Commercial Real Estate Development Association Hawaii Chapter; Puna Pono Alliance; and many concerned individuals testified in support of this measure. The Public Utilities Commission; Division of Consumer Advocacy; Department of Business, Economic Development, and Tourism; Forest City Hawaii; Hawaii Renewable Energy Alliance; Carmel Partners; Distributed Energy Partners; and Think Tech Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Deleting restrictive language allowing provision of electricity service only where the owner or lessor and tenant or lessee are served by the same meter and service connection and broadening the scope of the exemption to address concerns regarding energy wheeling;
- (2) Deleting language that defined "property" as contiguous property notwithstanding certain interruptions in contiguity; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 19, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 19, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1551 Consumer Protection & Commerce on S.B. No. 1040

The purpose of this measure is to require the Public Utilities Commission to consider the value of advanced grid modernization technology in improving Hawaii's electrical system.

Testimony in support of this measure was submitted by the Department of Business, Economic Development, and Tourism; Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Public Utilities Commission; Blue Planet Foundation; Hawaii Solar Energy Association; and one concerned individual.

Your Committee finds that the use of advanced grid modernization technology may improve the reliability and efficiency of Hawaii's electrical distribution system as more renewable energy sources begin to connect to the system. Accordingly, your Committee believes that the Public Utilities Commission should consider these new technologies as a means to optimize the generation and transmission capacity of the electrical grid.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1040 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1552 Consumer Protection & Commerce on S.B. No. 15

The purpose of this measure is to promote energy independence, reduce statewide gasoline consumption, and promote the use of renewable energy by:

- (1) Establishing a task force to examine the consequences of changing the existing law requiring ten percent ethanol fuel content in gasoline to a requirement that each distributor who sells liquid fuel in the State for use in motor vehicles shall ensure that locally-produced biofuels account for at least five percent by volume of the distributor's annual sales of liquid fuels for motor vehicles;
- (2) Establishing a biofuels production tax credit; and
- (3) Repealing the ethanol facility tax credit.

The Blue Planet Foundation; General Motors; Pacific Biodiesel Technologies; Big Island Biodiesel; and numerous individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism; Alliance of Automobile Manufacturers; Airlines Committee of Hawaii; and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the purpose of the task force is to examine the feasibility of and any proposed legislation for:
 - (A) Requiring locally-produced biofuels to account for at least five percent of the liquid volume of a distributor's annual sales of liquid fuels for motor vehicles; and
 - (B) Requiring the mixture of up to five percent of locally-produced biofuels in diesel fuel;
- (2) Including a representative of the Alliance of Automobile Manufacturers and the Airlines Committee of Hawaii as members of the task force;
- (3) Deleting language to remove the aggregate cap for the biofuels production tax credit;

- (4) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 15, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 15, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1553 Consumer Protection & Commerce on S.B. No. 319

The purpose of this measure is to authorize the operation of thrill craft in state waters when used to conduct ocean cleanup activities.

This measure also requires the:

- (1) Department of Land and Natural Resources to adopt administrative rules to implement the exception provided for ocean cleanup activities; and
- (2) Chairperson of the Board of Land and Natural Resources to report to the Legislature, no later than twenty days prior to the convening of the Regular Session of 2014, on the status of the adoption of these rules.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that personal watercraft have become a valuable tool for lifeguards, fire departments, and other public agencies for responding to public safety issues in near shore waters. Accordingly, your Committee finds that allowing use of personal watercraft in state waters for the purpose of conducting ocean cleanup activities will make the process of ocean cleanup easier and more efficient.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 319, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1554 Consumer Protection & Commerce on S.B. No. 482

The purpose of this measure is to encourage beekeeping and honey producing in the State.

More specifically, this measure:

- (1) Revises the exemption for home-based agricultural producers of honey from the requirement to process honey in a certified honey house or food processing establishment or to obtain a permit from the Department of Health by:
 - (A) Increasing the maximum volume of honey that the producer may sell to less than five hundred gallons of honey per year;
 - (B) Adding retail stores that sell honey directly to consumers as other entities to whom home-based agricultural producers of honey may directly sell their honey;
 - (C) Requiring, on the labels of each honey container, the additional statements, "Honey should not be consumed by infants under one year of age." and "This product has not been inspected by the Department of Health.";
 - (D) Requiring the producer to attend a Department of Health-approved food safety workshop class and pass the food safety certification examination; and
 - (E) Requiring the producer to keep records of honey production volume and distribution for two years and make the records available to the Department of Health; and
- (2) Exempts the State and counties from liability for claims associated with honey distributed by home-based agricultural producers of honey, except in cases of gross negligence and intentional misconduct by the State or county.

The Department of Health, Hawaii Farm Bureau Federation, and Maui Natural Bee, LLC, testified in support of this measure.

A concerned individual submitted comments.

Your Committee finds that the bee population nationwide and statewide have declined due to disease and predators. Your Committee finds that this measure makes beekeeping a more viable and sustainable operation.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 482, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1555 Consumer Protection & Commerce on S.B. No. 586

The purpose of this measure is to encourage and support diversified agriculture and agricultural self-sufficiency in the State by authorizing, under certain circumstances, an exemption from building code requirements and expansion of existing building permit exemptions for nonresidential buildings or structures on farms and ranches located outside the urban district.

Two individual council members of the Kauai County Council; the Land Use Research Foundation of Hawaii; Primavera Aquaponics, LLC; and a few individuals provided testimony in support of this measure. The State Fire Council, Kauai Fire Department, City and County of Honolulu Department of Planning and Permitting, County of Maui Department of Fire and Public Safety, County of Kauai Department of Public Works, and Plumbers and Fitters Local 675 provided testimony in opposition to this measure. East Oahu County Farm Bureau; Ulupalakua Ranch; McCandless Ranch; Maui Cattlemen's Association; Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; Hawaii Aquaculture and Aquaponics Association; and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, each county to establish an agricultural buildings and structures exemption list of buildings and structures exempt from existing building permit requirements;
- (2) Specifying that with respect to exempted agricultural buildings, the aggregate floor area of the exempted agricultural building for lots greater than five acres shall not exceed eight thousand square feet plus two percent of the acreage per zoning lot, instead of ten percent of the acreage per zoning lot;
- (3) Requiring, rather than authorizing, that certain specified buildings, structures, and appurtenances be included in each county's agricultural buildings and structures exemption list and be exempt from county building permit and code requirements;
- (4) Providing that if a county fails to establish an agricultural buildings and structures exemption list before July 1, 2014, the statutorily-established list of buildings, structures, and appurtenances referenced in (3) shall constitute the county's list;
- (5) Requiring, rather than authorizing, the exemption of certain buildings, structures, and appurtenances from building permit requirements when compliant with relevant building codes or prescriptive construction standards;
- (6) Changing its effective date to July 1, 2012, for the purpose of further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 586, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 586, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Cachola, Carroll and Ito.

SCRep. 1556 Consumer Protection & Commerce on S.B. No. 400

The purpose of this measure is to encourage child safety policies in child care facilities.

More specifically, this measure requires child care facilities to establish and implement a safe sleep policy in accordance with rules of the Department of Human Services, to prevent occurrences of sudden infant death syndrome and sudden unexpected infant deaths in children less than one year of age.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Health, Child and Family Service, March of Dimes, and one individual.

Your Committee finds that this measure encourages child care facilities to maintain safe sleep environments and procedures to prevent sleep-related deaths in children under the age of one year.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 400, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1557 Consumer Protection & Commerce on S.B. No. 507

The purpose of this measure is to ensure that all members of a planned community association are provided notice of regular annual meetings and special meetings of the association by specifying the means by which notice is to be provided and the required contents of notices.

The Hawaii State Association of Parliamentarians and a few individuals provided testimony in opposition to this measure. An individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision allowing notice to be given by posting of the meeting notice to the association's website;

- (2) Changing its effective date to July 1, 2112, for the purpose of further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that a majority of the concerns of this measure centered on the provision allowing notice to be posted to the association's website and as such, this section was removed by your Committee.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 507, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 507, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Cachola, Carroll and Ito.

SCRep. 1558 Consumer Protection & Commerce on S.B. No. 682

The purpose of this measure is to ensure compliance with county fire codes by updating the authority of county fire chiefs to review plans and documentation for building construction, alterations, or changes in use.

The State Fire Council, Kauai Fire Department, and one concerned individual submitted testimony in support of the measure. The Building Industry Association of Hawaii submitted comments on the measure.

Your Committee finds that building occupancies and classifications have changed since the statute requiring submission of building plans to the county fire chief was last amended. This measure updates statutory language and clarifies a county fire chief's authority to review appropriate building or facility construction, alteration, and other installation plans to ensure compliance with county fire codes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 682, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1559 Consumer Protection & Commerce on S.B. No. 965

The purpose of this measure is to support the spouses of the members of the armed forces by clarifying eligibility requirements for professional and vocational licensure by endorsement or reciprocity to specify that eligible individuals shall be spouses of military members in good standing of the active or a reserve component of any of the armed forces of the United States Department of Defense stationed in Hawaii for a duration of at least one year.

The Department of Commerce and Consumer Affairs; Military Officers Association of America, Hawaii Chapter; and National Association for Uniformed Services Hawaii Chapter testified in support of this measure. The Chamber of Commerce of Hawaii testified in support of the intent of this measure. The Hawaii Dental Association and Niwao & Roberts, CPAs, a P.C., testified in opposition to this measure. The Hawaii Association of Public Accountants provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that for purposes of licensure by endorsement or reciprocity, the member of the military shall have orders to be stationed in the State from an appropriate agency of the Armed Forces in order to include members of the U.S. Coast Guard;
- (2) Clarifying that the license by endorsement or reciprocity may be revoked if the information provided in the application for licensure is found to be false by the licensing authority;
- (3) Exempting medical doctors, dentists, certified public accountants, and other licensing authorities subject to specific provisions regulating licensure by endorsement or licensure by reciprocity pursuant to another chapter of the Hawaii Revised Statutes from licensure pursuant to this measure; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 965, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 965, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1560 Consumer Protection & Commerce on S.B. No. 506

The purpose of this measure is to assist Hawaii's service men and women when determining qualifications for an occupational license by clarifying and establishing various professional and vocational licensing requirements for military veterans.

The Hawaii Dental Association; Hawaii Association of Public Accountants; and Niwao & Roberts, CPAs, a Professional Corporation testified in opposition to this measure. The Department of Commerce and Consumer Affairs and American Institute of Architects Hawaii State Council provided comments on this measure.

Your Committee notes that the State has a strong interest in regulating doctors, dentists, and certified public accountants because of the nature of their work. Therefore, the requirements for licensing of those professions should be left up to the corresponding professional licensing bodies of the State. Further, your Committee finds that certain professions already have regulations relating to licensure by endorsement and licensure by reciprocity. Therefore, your Committee has amended this measure by specifying that the licensure by endorsement and licensure by reciprocity regulations in this measure shall not apply to a licensing authority that is subject to specific provisions regulating licensure by endorsement or licensure by reciprocity pursuant to another chapter of the Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 506, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 506, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Cachola, Carroll and Ito.

SCRep. 1561 Consumer Protection & Commerce on S.B. No. 548

The purpose of this measure is to exempt, from the licensing requirement to practice medicine in the State, any commissioned medical officer of the United States Department of Defense who is credentialed by Tripler Army Medical Center while providing direct telemedicine support or services to beneficiaries at a Hawaii National Guard armory on a neighbor island.

Your Committee received testimony in support of this measure from the state Department of Defense; the Department of Hawaii, Veterans of Foreign Wars of the United States; the Maui County Veterans Council; Papa Ola Lokahi; the National Association for Uniformed Services, Hawaii Chapter; and two individuals. Comments were received from the Hawaii Medical Board and the Hawaii Medical Association.

Your Committee finds that this measure is necessary to ensure that service members who seek medical services at Hawaii National Guard armories on the neighbor islands will be able to receive telemedicine support by qualified medical personnel.

Your Committee has amended this measure by changing the effective date to July 1, 2112, in order to facilitate continued discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 548, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 548, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1562 Consumer Protection & Commerce on S.B. No. 987

The purpose of this measure is to require the assessment of impact fees prior to the issuance of a water meter and collection of impact fees in full prior to or upon the issuance of a water meter.

Your Committee finds that state law currently requires the assessment and collection of impact fees prior to or upon the issuance of a grading or building permit by a county. Your Committee believes that, by allowing impact fees to be assessed and collected prior to or upon issuance of a water meter, this measure affords the counties greater flexibility in planning and imposing fees and aligns state law with the current rules and procedures of the county water boards.

Your Committee has amended this measure by changing the effective date to July 1, 2013.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 987, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 987, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1563 Consumer Protection & Commerce on S.B. No. 1077

The purpose of this measure is to limit the application of the owner-builder exemption from contractor licensing requirements and enhance pertinent statutes.

Specifically, this measure:

- (1) Repeals the owner-builder exemption for industrial and commercial construction;
- (2) Sets forth additional construction, employment, and other requirements for owners and lessees with an owner-builder exemption;
- (3) Prohibits owners and lessees with an owner-builder exemption from being eligible to recover from the contractors recovery fund; and
- (4) Amends penalties for noncompliance with owner-builder exemption requirements.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; the City and County of Honolulu, Department of Planning and Permitting; Building Industry Association of Hawaii; BKA Builders Inc.; Universal Construction, Inc.; The Pacific Resource Partnership; TJR Works! LLC; Kokea Construction & Consultants, Inc.; Subcontractors Association of Hawaii; and one individual. Your

Committee received comments on this measure from the Contractors License Board and General Contractors Association of Hawaii.

Your Committee finds that requiring owners and lessees who obtain an owner-builder permit to adhere to additional supervision, licensing, insurance, tax, construction code, and other requirements will promote safety, improve the quality of construction in Hawaii, and reduce unreported cash transactions.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1077, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1077, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1564 Consumer Protection & Commerce on S.B. No. 858

The purpose of this measure is to clarify the Legislature's intent that no person whose reappointment to a second consecutive term fails to receive the consent of the Senate shall continue in office as a holdover member of a board or commission.

The Department of the Attorney General provided comments on this measure.

Your Committee notes that the subject of this measure is state boards and commissions. Accordingly, your Committee requests that if this measure is considered in conference, the Conference Committee examine the issue of promoting gender equity when the Governor appoints members to state boards and commissions.

Your Committee has amended this measure by specifying that a person whose reappointment to a second consecutive term fails to receive the consent of the Senate may continue in office as a holdover member only until the Senate adjourns sine die.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 858, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 858, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1565 Judiciary on S.B. No. 516

The purpose of this measure is to remove the time bar on actions to declare the existence or nonexistence of a father and child relationship for certain proceedings.

The Legal Aid Society of Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 516, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1566 Judiciary on S.B. No. 61

The purpose of this measure is to provide rehabilitative options for juveniles involved with the justice system by allowing children who are undergoing informal adjustment by a court or another designated agency the option of participating in a restorative justice program.

The Office of Hawaiian Affairs, Hawaii Youth Services Network, Community Alliance on Prisons, Drug Policy Action Group, and numerous concerned individuals provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Making it effective upon approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 61, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 61, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1567 Judiciary on S.B. No. 888

The purpose of this measure is to clarify reporting requirements for employers by defining "new hire" for the purposes of an employer's duty in

relation to child support enforcement in order to comply with amendments made to the Social Security Act by the Trade Adjustment Assistance Extension Act of 2011.

The Department of the Attorney General and a concerned individual supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 888, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 888, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1568 Judiciary on S.B. No. 8

The purpose of this measure is to better protect pet animals by:

- (1) Prohibiting the owner of a pet animal or the owner's employees from performing surgical procedures on the pet animal without being licensed as a veterinarian, with the exception that persons from counties with a population of less than 500,000 persons may perform tail docking and dewclaw removal procedures on pet animals within five days of the pet animal's birth;
- (2) Establishing that performing surgical procedures on a pet animal without being a licensed veterinarian is a class C felony; and
- (3) Clarifying that the exceptions to animal cruelty in the first degree for accepted veterinary practices and customary cropping or docking only apply if performed by a licensed veterinarian.

The Hawaii Veterinary Medical Association and numerous concerned individuals testified in support of this measure. Three concerned individuals testified in opposition to this measure. The Humane Society of the United States, Hawaiian Humane Society, and three concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the exemption from the prohibition against performing tail docking and dewclaw removal procedures on pet animals within five days of the pet animal's birth without a veterinary license applies only to persons residing on an island with a resident population of less than 5,000;
- (2) Removing language that would have made performing surgical procedures on a pet animal without being a licensed veterinarian a class C felony, so that the penalty is the same as that imposed for other acts of practicing veterinary medicine without a license, which is a misdemeanor;
- (3) Deleting language that would have narrowed the exceptions to animal cruelty in the first degree for accepted veterinary practices and customary cropping or docking; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 8, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 8, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.
(Representative Har voted no.)

SCRep. 1569 Judiciary on S.B. No. 9

The purpose of this measure is to provide greater protections for animals by requiring that a person convicted of cruelty to animals in the first or second degree shall, in addition to any fine or imprisonment to which that person is sentenced, be prohibited from possessing, owning, or residing with any animal involved in the offense for a minimum of two years or a minimum of one year, respectively, from the date of conviction.

The Honolulu Police Department, Hawaiian Humane Society, and numerous individuals testified in support of this measure. The Office of the Public Defender and Humane Society of the United States provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that a person convicted of cruelty to animals in the first or second degree shall not possess or own any pet animal or equine animal for a set period of time;
- (2) Increasing the amount of time for which a person convicted of cruelty to animals in the first degree is prohibited from possessing or owning any pet animal or equine animal to a minimum of five years from the date of conviction; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 9, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 9, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1570 Judiciary on S.B. No. 66

The purpose of this measure as received by your Committee is to further ensure transparency and accountability of individuals serving in state government by making the financial disclosure statements of state board and commission members public documents available for public inspection.

Prior to the public hearing on this measure, your Committee circulated a Proposed Draft of this measure and notified the public that it would be accepting testimony on the Proposed Draft. The purpose of this Proposed Draft is to strengthen the law relating to the code of ethics. The Proposed Draft retains the contents of S.B. No. 66, S.D. 1, H.D. 1, which makes the financial disclosure statements of state board and commission members public documents available for public inspection and also:

- (1) Clarifies the fair treatment law as applicable to legislators and task force members by separating out permissible actions and required financial disclosures applicable to task force members from those applicable to legislators; and
- (2) Makes clear that legislators are not prohibited from taking action in the exercise of their legislative functions under the fair treatment law.

Your Committee scheduled a hearing and received testimony on the Proposed Draft.

The Public Utilities Commission, Hawaii State Ethics Commission, and Hawaii Financial Services Association commented on this measure.

Upon consideration, your Committee has adopted the Proposed Draft. In addition, your Committee has further amended this measure by:

- (1) Making exclusive the list of state board and commission members whose financial disclosure statements shall be public records available for public inspection; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 66, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 66, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1571 Judiciary on S.B. No. 960

The purpose of this measure is to provide homeowners with timely notice of the postponement or cancellation of the public sale of their foreclosed properties by establishing a mandatory system for public notice of postponement or cancellation of such public sale under part IA, Chapter 667, Hawaii Revised Statutes, relating to judicial foreclosures.

The Office of Consumer Protection of Department of Commerce and Consumer Affairs and Hawaii Bankers Association testified in support of this measure. The Hawaii Financial Services Association provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 960, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1572 Judiciary on S.B. No. 1183

The purpose of this measure is to clarify intake service centers' core responsibility by:

- (1) Repealing the requirement that intake service centers provide specified pretrial assessments and assist in the conduct of specified presentence assessments on adult offenders; and
- (2) Requiring intake service centers to provide specified pretrial bail reports on adult offenders to the courts, with provisions for confidentiality and authorized report distribution.

The Department of Public Safety supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1183, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1183, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1573 Judiciary on S.B. No. 1357

The purpose of this measure is to enable the safe and efficient operation of roads in the State by enabling state and county agencies to maintain roads with disputed ownership without incurring liability or assuming ownership of or jurisdiction over those roads.

The Chairperson of the Maui County Council, Vice Chairperson of the Maui County Council, Hawaii Association for Justice, and one concerned individual supported this measure. The Department of Transportation, Department of Land and Natural Resources, and County of Maui Department of Public Works offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1357, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1574 Finance on S.B. No. 5

The purpose of this measure is to provide fair compensation, in addition to rent reductions, to lessees when the State withdraws, condemns, or takes public land leased for intensive agricultural or pastoral uses and renders the land unusable for the original purposes of the lease.

Hawaii Farm Bureau Federation; KK Ranch; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; 4 Ag Hawaii; Mikilua Poultry Farm, Inc.; Kealia Ranch; Hawaii Aquaculture and Aquaponics Association; Wong's Meat Market Ltd; Maui Cattlemen's Association; and several concerned individuals submitted testimony in support of this measure. The Department of Land and Natural Resources and Department of Agriculture offered comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 5, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 5, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1575 Finance on S.B. No. 753

The purpose of this measure is to, among other things:

- (1) Authorize the Department of Agriculture to enter into leases and other land transactions with the Agribusiness Development Corporation (ADC) for food production or organic livestock feed development;
- (2) Create a Food Production and Organic Livestock Feed Development Mobilization Program under the ADC, with assistance from the High Technology Development Corporation, to encourage organic food production and organic livestock feed development and authorize the High Technology Development Corporation to provide assistance under the programs; and
- (3) Exempt the ADC from certain qualifying provisions to receive non-agricultural park lands for growing food or developing organic livestock feed.

The Agribusiness Development Corporation provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The High Technology Development Corporation provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 753, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1576 Finance on S.B. No. 757

The purpose of this measure is to help ensure the viability of the State's livestock industry by:

- (1) Appropriating unspecified funds to continue the Livestock Revitalization Program;
- (2) Adjusting the amount of the subsidy received under the Program to the lesser of an unspecified amount per year or an unspecified percentage of food costs incurred per year for production of poultry products; milk; pigs, beef cattle, sheep, and lamb raised and slaughtered in Hawaii for local consumption; and fish or crustaceans aquaculturally farmed in Hawaii for local consumption;
- (3) Expanding the livestock subsidy to include feed costs incurred by qualified producers of goat milk with a herd of at least 25 lactating milking goats per fiscal quarter;

- (4) Expanding the livestock subsidy to include feed costs incurred by qualified producers of sheep or lamb that are raised, slaughtered, processed, and marketed in the State with annual sales of at least 30 sheep or lambs; provided that the herd shall not fall five percent below 30 sheep or lambs per fiscal quarter;
- (5) Expanding the livestock subsidy to include feed costs incurred by qualified producers of fish or crustaceans, farmed by aquacultural practices, with current annual sales of at least 2,000 pounds; provided that sales shall not fall five percent below 500 pounds per fiscal quarter;
- (6) Amending the livestock subsidy to include feed costs incurred by qualified producers of pork from sows that are raised, slaughtered, processed, and marketed in the State with annual sales of at least 20 sows; provided that the herd shall not fall five percent below 20 sows per fiscal quarter;
- (7) Prohibiting the reimbursement of feed costs to qualified producers when the amount of reimbursement will result in an annual profit of more than an unspecified percentage for sheep, lamb meat, or seafood producers; and
- (8) Requiring funds for the Livestock Revitalization Program to be expended from the Agricultural Development and Food Security Special Fund.

For purposes of the public hearing on this bill, your Committee circulated a proposed S.B. No. 757, H.D. 2 (Proposed Draft), and notified the public that your Committee would be accepting testimony on the Proposed Draft, which:

- (1) Deletes the contents of S.B. No. 757, H.D. 1; and
- (2) Inserts the substantive contents of H.B. No. 486, H.D. 1 and H.B. No. 734, H.D. 1.

The Proposed Draft, among other things:

- (1) Appropriates funds for the implementation and operation of the Future Farmers of America and 4-H programs to support youth in agricultural careers;
- (2) Amends public land classifications by adding taro lands for wetland cultivation as the fourth class of lands for intensive agricultural use;
- (3) Includes retention of supporting structures for taro fields in the list of permitted uses for certain agricultural lands;
- (4) Adds growth and perpetuation of all traditional Hawaiian crops to agricultural planning objectives; and
- (5) Contains an effective date of July 1, 2030, to encourage further discussion.

Ulupono Initiative; Taro Security and Purity Task Force; Hawaii Farm Bureau Federation; East Maui Taro Festival, Inc.; and a few concerned individuals submitted testimony in support of the Proposed Draft. Animal Rights Hawaii; Hawaii Reserves, Inc.; Land Use Research Foundation of Hawaii; and Hawaii Building and Construction Trades Council, AFL-CIO submitted testimony in opposition to the Proposed Draft. The Department of Education offered comments on the Proposed Draft.

Your Committee has amended this measure as referred to your Committee by adopting the Proposed Draft and incorporating additional technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 757, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1577 Finance on S.B. No. 668

The purpose of this measure, to be known and cited as "Luke's Law", is to ensure the provision of quality health care for all Hawaii residents by requiring health plans to provide coverage for treatment for autism spectrum disorders for persons under the age of twenty-one.

Trumpet of Behavioral Health Hawaii, Hawaii Medical Association, Hawaii Autism Foundation, Hawaii Disability Rights Center, Papa Ola Lokahi, Special Education Advisory Council, UNITE HERE Local 5, and numerous individuals testified in support. The Department of Human Services, The Chamber of Commerce of Hawaii, and Hawaii Association of Health Plans testified in opposition. The State Council on Developmental Disabilities, Department of Budget and Finance, Hawaii Medical Service Association, Community Children's Councils, Autism Speaks, Kaiser Permanente, American Council of Life Insurers, and many individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 668, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1578 Finance on S.B. No. 913

The purpose of this measure is to conform the time share law to current sales and marketing practices while maintaining sufficient regulatory oversight by:

- (1) Clarifying time requirements for disclosure of purchase price and additional charges to which a purchaser may be subject; and
- (2) Clarifying prohibitions relating to promised promotional devices provided to prospective purchasers by sales agents.

Starwood Vacation Ownership, Wyndham Vacation Ownership, and a concerned individual testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 913, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1579 Finance on S.B. No. 697

The purpose of this measure is to enhance the continuity of the Hawaii Aerospace Advisory Committee by extending the terms of Aerospace Advisory Committee members from two years to four years.

The Department of Business, Economic Development, and Tourism and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of furthering discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 697, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 697, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1580 Finance on S.B. No. 244

The purpose of this measure is to further refine Hawaii's nascent charter school law by, among other things:

- (1) Requiring charter schools to complete an annual independent financial audit;
- (2) Requiring the State Public Charter School Commission (Commission) to develop procedures to obtain any potential criminal history of individuals who are employed or seeking employment in positions that place them in close proximity to children;
- (3) Specifying additional enrollment criteria for students at public charter schools, including criteria for enrollment preferences;
- (4) Authorizing the Commission to request facilities funding for charter schools as part of its annual budget request;
- (5) Amending the definition of "employee" under Hawaii's Standards of Conduct Law to include any person under an employment contract to serve as chief executive officer, chief administrative officer, executive director, or designated head of a charter school;
- (6) Requiring Commission members to disclose specified conflicts of interest and to be disqualified from voting on or participating in discussions regarding charter schools with which they have a conflict of interest; and
- (7) Making various housekeeping amendments to the charter school law.

The State Public Charter School Commission, Hawaii Public Charter Schools Network, Ka 'Umeke Kā'eo Charter School, National Association of Charter School Authorizers, Hawaii Technology Academy, and numerous individuals supported this measure. The Hawaii State Ethics Commission, The School for Examining Essential Questions of Sustainability, Dine College, Hale Kuamoo Hawaiian Language Center, and numerous concerned individuals offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 244, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1581 Finance on S.B. No. 238

The purpose of this measure is to provide additional guidance to the Department of Education by:

- (1) Amending the definition of instructional hours for elementary and secondary schools to include specified activities to which a related general learner outcome is attached; and
- (2) Clarifying that statutorily specified student instructional hour requirements are minimum requirements.

The Department of Education, Hawaii Association of Independent Schools, IMUAlliance, and one concerned individual submitted testimony in support of this measure. The Hawaii State Teachers Association and several concerned individuals submitted testimony in opposition to this measure. The Hui for Excellence in Education submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 238, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 238, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1582 Finance on S.B. No. 1083

The purpose of this measure is to increase competition in contracting for student transportation services by exempting contracts for student transportation from statutory requirements for wage certification.

The Department of Education testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1083, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1083, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1583 Finance on S.B. No. 1084

The purpose of this measure is to ensure that Hawaii's children receive the early foundation and support necessary to avoid remedial training and achieve success in their future educational endeavors by proposing an amendment to the Hawaii State Constitution to permit the appropriation of public funds for private early childhood education programs.

The Governor, Department of Health, Department of the Attorney General, Department of Human Services, Department of Public Safety, Department of Labor and Industrial Relations, Department of Human Resources Development, University of Hawaii, State Adjutant General, Office of Hawaiian Affairs, Department of the Prosecuting Attorney of the City and County of Honolulu, Child & Family Service, The Chamber of Commerce of Hawaii, Chaminade University of Honolulu, Hawaii Association for the Education of Young Children, Early Learning Advisory Board, Kamehameha Schools, Hawaii Construction Alliance, Good Beginnings Alliance, Hawaii Business Roundtable, Hawaii Association of Independent Schools, Partners in Development Foundation, Hawaii Pacific Health, The Pacific Resource Partnership, IMUA Alliance, Hawaii P-20, Institute for Native Pacific Education and Culture, Young Democrats of Hawaii, First Insurance Company of Hawaii, Atherton Family Foundation, Colliers International-Hawaii, an Office of Hawaiian Affairs Trustee representing Kauai and Niihau, and over one hundred and fifty concerned individuals supported this measure. The Hawaii State Teachers Association and several concerned individuals opposed this measure. The Department of Education, Hawaii Teacher Standards Board, Hawaii Family Forum, Hawaii Catholic Conference, Hawaii Catholic Schools, American Civil Liberties Union, Hawaii Baptist Early Education Association, Faith Based Early Learning Coalition, and a concerned individual provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1084, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1584 Finance on S.B. No. 1093

The purpose of this measure is to more adequately prepare Hawaii's children for success in school by establishing a School Readiness Program as part of the State's Early Learning System.

The Governor, Department of the Attorney General, Department of Education, Department of Human Resources Development, Department of Human Services, Department of Labor and Industrial Relations, Department of Public Safety, University of Hawaii, State Adjutant General, Office of the Mayor of Hawaii County, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Association of Independent Schools, Child & Family Service, Hawaii P-20, Aloha United Way, The Queen's Health Systems, Hawaii Business Roundtable, Hawaii Pacific Health, The Pacific Resource Partnership, PHOCUSED, Good Beginnings Alliance, Partners in Development Foundation, Early Learning Advisory Board, Kamehameha Schools, First Insurance Company of Hawaii, Atherton Family Foundation, Colliers International-Hawaii, Institute for Native Pacific Education and Culture, Young Democrats of Hawaii, Hawaii Construction Alliance, Alaska Native Language Center, Chaminade University of Honolulu, Hui for Excellence in Education,

Ko'olaupoko Hawaiian Civic Club, Papa Ola Lokahi, Office of the President of Hawai'i Pacific University, an Office of Hawaiian Affairs Trustee representing Kauai and Niihau, and over two hundred concerned individuals supported this measure. The Hawaii Catholic Conference, Hawaii Catholic Schools, Hawaii Family Forum, and a concerned individual opposed this measure. The Department of Health; Office of Hawaiian Affairs; Hawaii Teacher Standards Board; American Civil Liberties Union of Hawai'i; 'Aha Pūnana Leo; Diné College, Tribal College of the Navajo Nation; Hawaii Association for the Education of Young Children; Hawai'i Bilingual/Hawai'i Ōlelo Pālua; Hawaii Baptist Early Education Association; Faith Based Early Learning Coalition; and over one hundred and fifty concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the School Readiness Program will prepare children for school through either of the State's two official languages;
- (2) Specifying that eligible providers include entities providing family-child interaction learning programs and entities providing Hawaiian language medium early learning programs;
- (3) Clarifying that eligible providers must meet Hawaiian or English language medium education standards, as applicable;
- (4) Authorizing, rather than mandating, the inclusion of certain specified standards to be established under the School Readiness Program;
- (5) Specifying that eligible providers must comply with all applicable state and federal laws;
- (6) Authorizing the Executive Office on Early Learning to adopt rules concerning compliance with all applicable state and federal laws;
- (7) Removing the definition of "low- and moderate-income family";
- (8) Inserting an unspecified appropriation for fiscal biennium 2013-2015 for the Executive Office on Early Learning to establish a statewide school readiness program; and
- (9) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1093, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1093, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1585 Finance on S.B. No. 1095

The purpose of this measure is to improve educational outcomes in the State by providing a comprehensive structure for the delivery of early childhood education. Specifically, this measure establishes the Early Childhood Education Program to prepare young children for school and provide them with access to high-quality early childhood education that addresses their physical, cognitive, linguistic, social, and emotional development.

The Governor, Department of Education, Department of Public Safety, Department of Human Resources Development, Department of Labor and Industrial Relations, Department of Human Services, University of Hawaii, State Adjutant General, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Construction Alliance, PHOCUSED, Hawaii Business Roundtable, Partners in Development Foundation, The Pacific Resource Partnership, Hawaii P-20, Hawaii Association of Independent Schools, Hawaii Pacific Health, Aloha United Way, Child & Family Service, The Chamber of Commerce of Hawaii, Good Beginnings Alliance, Colliers International – Hawaii, Institute for Native Pacific Education and Culture, Young Democrats of Hawaii, Atherton Family Foundation, First Insurance Company of Hawaii, an Office of Hawaiian Affairs Trustee representing Kauai and Niihau, and over two hundred concerned individuals supported this measure. The Hawaii Catholic Conference, Hawaii Catholic Schools, and Hawaii Family Forum opposed this measure. The Department of Health, Hawaii Teacher Standards Board, American Civil Liberties Union of Hawaii, IMUA Alliance, Teacher Education Coordinating Committee, 'Aha Pūnana Leo, Pūnana Leo o Mānoa, Hawaii Baptist Early Education Association, Faith Based Early Learning Coalition, Hawai'i Bilingual/Hawai'i Ōlelo Pālua, Kuhina Nui Ka'ahumanu Hawaiian Civic Club, and over one hundred and fifty concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the Early Childhood Education Program will prepare children for school and to actively participate in society through either of the state's two official languages;
- (2) Clarifying that the Early Childhood Education Program will provide equitable access to high-quality early childhood education;
- (3) Clarifying that it is a legal guardian who may be responsible for the required copayment to participate in the Early Childhood Education Program;
- (4) Clarifying that eligible providers must meet or develop plans to meet Hawaiian or English language medium education standards, as applicable;
- (5) Specifying that eligible providers must comply with all applicable state and federal laws;
- (6) Requiring the Executive Office on Early Learning to adopt rules concerning compliance with all applicable state and federal laws;
- (7) Including a definition of "early childhood education program" in Chapter 302L, Hawaii Revised Statutes, which governs the state's Early Learning System;

- (8) Inserting an unspecified appropriation for fiscal biennium 2013-2015 to support the establishment of the Early Childhood Education Program;
- (9) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (10) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1095, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1095, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1586 Finance on S.B. No. 623

The purpose of this measure is to:

- (1) Provide income tax credits for renewable energy technologies for solar energy properties and wind energy properties, rather than solar energy systems and wind energy systems, including by specifying eligibility criteria and the amounts of allowable credits; and
- (2) Require the Department of Taxation, in collaboration with the Department of Business, Economic Development, and Tourism, to report to the Legislature regarding tax credits claimed for solar and wind energy properties and make recommendations for continued tax credit policy.

The Department of Business, Economic Development, and Tourism; Sunrun; R & R Solar Supply; SunPower Systems, Corporation; Mainstream Energy Corp.; Keahole Solar Power; Rising Sun Solar; Sierra Club, Hawai'i Chapter; Hawaii PV Coalition; Ulupono Initiative; Forest City Hawaii; Sunetric; RevoluSun; Inter-Island Solar Supply; Distributed Energy Partners; Hawaii Solar Energy Association; Hawaii Energy Policy Forum; and the Sovereign Councils of the Hawaiian Homelands Assembly testified in support of this measure. The Department of Taxation, Green Power Projects LLC, Tax Foundation of Hawaii, Blue Planet Foundation, and Kauai Island Utility Cooperative provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting specified tax credit amounts for solar energy property used exclusively to heat water and for solar energy property used primarily to generate electricity;
- (2) Specifying that the tax credit for solar energy property used to generate electricity more than one megawatt in alternating current capacity is available for electricity sold via a power purchase agreement;
- (3) Specifying that the tax credit for solar energy property used to generate electricity more than one megawatt in alternating current capacity shall not be reduced by any subsequent legislative act or executive decision; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 623, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 623, S.D. 2, H.D. 3.

Signed by all members of the Committee.

SCRep. 1587 Finance on S.B. No. 1087

The purpose of this measure is to promote the purchase and installation of green infrastructure equipment among electric utility customers through a loan program financed by the issuance of revenue bonds. Specifically, this measure:

- (1) Establishes the Hawaii Green Infrastructure Loan Program;
- (2) Establishes the Hawaii Green Infrastructure Authority within the Department of Business, Economic Development, and Tourism;
- (3) Authorizes the creation of green infrastructure property consisting of all property, rights, and interests of the Hawaii Green Infrastructure Loan Program, which shall vest in the Department of Business, Economic Development, and Tourism for the purpose of securing bond amounts payable under the Loan Program, and other financing costs;
- (4) Establishes the Hawaii Green Infrastructure Bond Fund to be administered by the Department of Business, Economic Development, and Tourism and to receive proceeds of the Green Infrastructure Fee and Green Infrastructure property;
- (5) Establishes the Hawaii Green Infrastructure Special Fund to receive proceeds of the Loan Program and other moneys and to be expended on the operations of the Loan Program, including through credits to electric utility customers for reimbursement of excess Green Infrastructure charge collected;
- (6) Authorizes the Department of Business, Economic Development, and Tourism to issue up to \$200,000,000 in revenue bonds to establish and administer the Hawaii Green Infrastructure Loan Program;

- (7) Appropriates \$100,000,000 for fiscal year 2013-2014 and \$100,000,000 for fiscal year 2014-2015 to the Department of Business, Economic Development, and Tourism out of the Hawaii Green Infrastructure Special Fund; and
- (8) Appropriates \$10,000,000 for fiscal year 2013-2014 and \$20,000,000 for fiscal year 2014-2015 to the Department of Business, Economic Development, and Tourism out of the Hawaii Green Infrastructure Bond fund.

The Office of the Governor; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Public Utilities Commission; Hawaiian Electric Company; Hawaii Electric Light Company; Maui Electric Company; Blue Planet Foundation; Sierra Club, Hawaii Chapter; Hawaii Energy Policy Forum; Ulupono Initiative; and Pacific Resource Partnership testified in support of this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the listed appropriations from the Hawaii Green Infrastructure Special Fund and Hawaii Green Infrastructure Bond Fund to unspecified amounts;
- (2) Changing its effective date to July 1, 2030; to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1087, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1087, S.D. 2, H.D. 3.

Signed by all members of the Committee.

SCRep. 1588 Finance on S.B. No. 563

The purpose of this measure is to address concerns with the University of Hawaii Board of Regents and Regents Candidate Advisory Council by amending the form and function of the Regents Candidate Advisory Council and amending the function of the Board of Regents. More specifically, this measure, among other things:

- (1) Details the duties and responsibilities of the Candidate Advisory Council, the successor to the Regents Candidate Advisory Council, including disclosure requirements and the development and implementation of a fair and independent procedure by which to evaluate candidates for the Board of Regents;
- (2) Establishes a timeline for the filling of vacancies on the Board of Regents;
- (3) Requires appointees to the Candidate Advisory Council to meet specified qualifications;
- (4) Specifies factors the Senate must consider in determining whether to confirm a nominee to the Board of Regents;
- (5) Requires that the election of the chairperson and vice chairperson of the Board of Regents take place at the Board's first meeting after June 30, rather than at a meeting preceding July 1, of each year;
- (6) Repeals the Board of Regents' authority to elect up to two vice chairpersons; and
- (7) Specifies that the chairperson and vice chairperson may not be elected prior to the appointment of Regents whose terms are to begin on July 1.

A concerned individual supported this measure. The Department of the Attorney General, Regents Candidate Advisory Council, and University of Hawaii Student Caucus provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 563, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 563, S.D. 3, H.D. 2.

Signed by all members of the Committee.

SCRep. 1589 Finance on S.B. No. 1256

The purpose of this measure is to support the development and expansion of the aerospace, robotics, and related industries in Hawaii by appropriating \$1,200,000 in general revenues for the Pacific International Space Center for Exploration Systems (PISCES). This measure also requires PISCES to report to the Legislature.

Enterprise Honolulu, the District Three Councilmember of the Hawaii County Council, the Chairman of the Hawaii Aerospace Advisory Committee, an astronaut of the Apollo XI Mission, and numerous concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; Lieutenant Governor of Alaska; and several concerned individuals offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation for PISCES to an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to promote further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1256, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1256, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1590 Finance on S.B. No. 1388

The purpose of this measure is to address the administration of and procedures at the Research Corporation of the University of Hawaii by, among other things:

- (1) Amending the composition of the Research Corporation's Board of Directors;
- (2) Exempting the Research Corporation from the Procurement Code for certain specified construction contracts;
- (3) Removing the President of the University of Hawaii as President of the Research Corporation; and
- (4) Limiting the salary of the Research Corporation's Executive Director to no more than two times the salary of the highest paid head of an Executive Branch department.

A concerned individual supported this bill. The University of Hawaii opposed this measure. The Research Corporation of the University of Hawaii and State Procurement Office provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1388, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1388, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1591 Finance on S.B. No. 102

The purpose of this measure is to better protect elderly individuals from financial abuse by:

- (1) Requiring financial institutions to report suspected financial abuse of an elder to the appropriate county police department as well as to the Department of Human Services and specifying means of reporting;
- (2) Requiring county police departments to proceed with a criminal investigation upon notification by a financial institution of suspected financial abuse of an elder; and
- (3) Clarifying the definition of financial abuse.

The Department of Human Services, Executive Office on Aging, Honolulu Police Department, Hawaii Bankers Association, Hawaii Credit Union League, and many individuals testified in support of this measure. The University of Hawaii System provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 102, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 102, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1592 Finance on S.B. No. 391

The purpose of this measure is to provide a network of safe places where youth who are 21 years of age or younger can access safety and obtain advice, guidance, programs, and services by:

- (1) Requiring the Office of Youth Services to coordinate a two-year Safe Places for Youth Program in partnership with private organizations to provide access to and linkage with services and programs needed by youth; and
- (2) Establishing the Safe Places for Youth Program Coordinator to coordinate the Pilot Program and facilitate program efforts; and
- (3) Appropriating an unspecified amount of funds for each year of the 2013-2015 fiscal biennium for the Safe Places for Youth Program Coordinator and residential options for the Pilot Program.

The Department of Education, Hawaii Youth Services Network, Community Alliance for Mental Health, United Self Help, and two individuals supported this measure. The Office of Youth Services and Domestic Violence Action Center commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 391, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1593 Finance on S.B. No. 1101

The purpose of this measure is to help reduce the need for future emergency appropriations for the Department of Human Services' General Assistance Program by:

- (1) Establishing the Interim Assistance Reimbursement Special Fund into which interim assistance reimbursements from the federal Social Security Administration, in addition to appropriations made by the Legislature and other designated revenues, will be deposited for reimbursements for state-funded financial assistance payments and programs for recipients who are retroactively approved for Federal Supplemental Security Income; and
- (2) Appropriating funds out of the Interim Assistance Reimbursement Special Fund for FY 2013-2014 to be used for state-funded financial assistance payments and programs that support and assist recipients to qualify for supplemented security income.

The Department of Human Services, Legal Aid Society of Hawaii, and Goodwill Industries of Hawaii, Inc. supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1101, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1101, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1594 Finance on S.B. No. 873

The purpose of this measure is to help provide appropriate restitution to crime victims by:

- (1) Requiring the court to issue an income withholding order if a defendant fails to fully pay court-ordered restitution within 30 days of the judgment or order;
- (2) Requiring that certain money deposited by a defendant as bail in specified proceedings be applied toward payment of court-ordered restitution, fines, or fees in the same case; and
- (3) Making an unspecified appropriation to enhance restitution collection and hire any staff necessary to implement the provisions of the measure.

The Crime Victim Compensation Commission and Department of the Prosecuting Attorney of the City and County of Honolulu supported this measure. A concerned individual opposed this measure. The Judiciary provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 873, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cullen and Takayama.

SCRep. 1595 Finance on S.B. No. 867

The purpose of this measure is to amend the law relating to state and county contributions to the Hawaii Employer-Union Health Benefits Trust Fund for retired employees by repealing statutorily-established monetary caps on base monthly contributions to the Hawaii Employer-Union Health Benefits Trust Fund paid by the State and counties for retiree health benefit plans.

The Hawaii Government Employees Association and a number of concerned individuals supported this measure. The Department of Budget and Finance and a concerned individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 867, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1596 Finance on S.B. No. 1057

The purpose of this measure is to fulfill the Legislature's responsibility to establish public employer contribution amounts to the Employer-Union Health Benefits Trust Fund if an impasse occurs in a collective bargaining negotiation.

Specifically, the measure establishes employer contribution amounts for plan years 2011-2012 and 2012-2013 for Hawaii Employer-Union Health Benefits Trust Fund (EUTF) health benefit plan premiums for the employees of collective bargaining unit (10) and their excluded counterparts.

The Department of Budget and Finance and a concerned individual supported this measure. The United Public Workers, AFSCME, Local 646, AFL-CIO opposed this measure.

Your Committee has amended this measure by:

- (1) Changing the public employer contribution amounts for plan years 2011-2012 and 2012-2013 to the Employer-Union Health Benefits Trust Fund to unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to promote further discussion;
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1057, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1057, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1597 Finance on S.B. No. 946

The purpose of this measure is to address the problem of the unfunded liabilities of the Hawaii Employer-Union Health Benefits Trust Fund by, among other things:

- (1) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Task Force to examine the unfunded liability of the Hawaii Employer-Union Health Benefits Trust Fund and requiring the Task Force to report its findings, recommendations, and implementing draft legislation to the Legislature prior to the Regular Session of 2014; and
- (2) Establishing the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to more effectively manage the administration and financing of current and future employee-health-benefit obligations of the State and county governments.

RMA Sales and a concerned individual supported this measure. The Department of Budget and Finance, Department of Budget and Fiscal Services of the City and County of Honolulu, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, and Building Industry Association of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 946, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.
(Representatives Cullen and Tokioka voted no.)

SCRep. 1598 Finance on S.B. No. 532

The purpose of this measure is to promote the health of mothers and children by:

- (1) Requiring certain employers to provide a reasonable break time and an appropriate location for breastfeeding employees to express breast milk;
- (2) Requiring covered employers to post conspicuous notice of these requirements; and
- (3) Establishing civil penalties for a violation of this law.

The Department of Labor and Industrial Relations; United Public Workers, AFSCME, Local 646, AFL-CIO; Planned Parenthood of Hawaii; and a concerned individual supported this measure. The Maui Chamber of Commerce and VIP Foodservice opposed this measure. The Department of Health, Hawai'i Civil Rights Commission, Hawaii State Commission on the Status of Women, Breastfeeding Hawaii, and The Chamber of Commerce of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 532, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1599 Finance on S.B. No. 997

The purpose of this measure is to enable the Department of Accounting and General Services to address the management of the State Archives and protection of electronic records of enduring value by:

- (1) Clarifying the duties of the State Archivist;
- (2) Establishing the State Archives Preservation and Long-term Access Special Fund;
- (3) Establishing a state archives preservation fee of \$1 for each document filed or registered by the public with a governmental entity and listed as permanent; and
- (4) Requiring all fees collected by the State Archives be deposited into the State Archives Preservation and Long-term Access Special Fund.

The Department of Accounting and General Services testified in support of the measure.

Your Committee has amended this measure by:

- (1) Changing the \$1 state archives preservation fee charged to an unspecified amount;
- (2) Clarifying that the State Archivist may adopt rules to effectuate administration of the archives, records management, and digital archives programs and facilities; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 997, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 997, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1600 Finance on S.B. No. 1265

The purpose of this measure is to amend the regulation of owner's agreements with an attorney to locate, deliver, recover, or assist in the recovery of property that is presumed abandoned by:

- (1) Repealing the exemption of an owner's agreement with an attorney to file a claim as to identified property or contest the administrator's denial of a claim from the application of agreements to locate property as outlined in section 523A-25, Hawaii Revised Statutes;
- (2) Specifying that an owner's agreement to locate, deliver, recover, or assist in the recovery of property that provides for compensation shall be unenforceable except by the owner if the compensation exceeds 25, rather than ten, percent of the total value of the property; and
- (3) Specifying that an owner, or an administrator on behalf of an owner, who has agreed to pay compensation that exceeds 25 percent of the value of the property in accordance with an agreement to locate, deliver, recover, or assist in the recovery of property may maintain an action to reduce the compensation to an amount not to exceed 25 percent.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1265, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1601 Finance on S.B. No. 381

The purpose of this measure is to amend the Pilot Comprehensive Public Funding Program for Elections to the Hawaii County Council (Program) established under Act 244, Session Laws of Hawaii 2008, by:

- (1) Limiting the number of candidates eligible to receive comprehensive public funding under the Program to 15 candidates per election period;
- (2) Changing the Program's funding formula to the average amount of money spent by winning candidates in the last two county election cycles in every district; and
- (3) Appropriating an unspecified amount out of the general revenues to the Campaign Spending Commission for fiscal years 2013-2014 and 2014-2015 for the certification of participating election candidates and funding for comprehensive public funding of elections.

Two Councilmembers of the Hawaii County Council and numerous concerned individuals supported this measure. The Campaign Spending Commission and a concerned individual offered comments on the measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 381, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 381, S.D. 2, H.D. 2.

Signed by all members of the Committee.
(Representative Ward voted no.)

SCRep. 1602 Finance on S.B. No. 49

The purpose of this measure is to streamline provisions relating to public education by amending and repealing sections of Chapter 302A, Hawaii Revised Statutes, in which Hawaii's public education law is codified, to resolve conflicting and inconsistent statutory language and for the purposes of housekeeping and efficiency.

The Department of Education supported this measure.

Your Committee has amended this measure by:

- (1) Repealing the statutory definition of early education in Chapter 302A, Hawaii Revised Statutes, which governs public education in the State;
- (2) Removing the repeal of section 302A-602.5, Hawaii Revised Statutes, which authorizes the Department of Education to revoke certificates it issues to individuals who are not required to obtain a license from the Hawaii Teacher Standards Board for lack of qualifications;
- (3) Repealing the Department of Education's authority to transfer appropriated funds and positions for the operating cost category among programs and among cost elements in a program, and between quarters;
- (4) Repealing the Department of Education's authority to create temporary positions;
- (5) Changing its effective date to upon its approval; and
- (6) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 49, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 49, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1603 Finance on S.B. No. 82

The purpose of this measure is to improve the ability of the Hawaii Public Housing Authority (HPHA) to serve its tenants by:

- (1) Authorizing HPHA to receive, use, and dispose of property including, with legislative approval, to sell real property, in support of HPHA's purposes, powers, and programs; and
- (2) Authorizing HPHA to receive, subject to certain conditions, any property for the benefit of residents assisted by HPHA programs and engage the services of volunteers.

No testimony was received on this measure.

Your Committee has amended this measure by:

- (1) Requiring that public housing preferences for tenant selection, other than those required by federal law, be established by the Legislature; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 82, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 82, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1604 Finance on S.B. No. 803

The purpose of this measure is to promote water conservation by establishing a four-year pilot program under which the Department of Accounting and General Services shall:

- (1) Implement irrigation water conservation best management practices in four projects at or around the existing ten capital district buildings that are part of a pilot study on energy and water conservation; and
- (2) Report results to the Legislature regarding information on training conducted, installation measures, and water savings as measured by gallons.

No testimony was received on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 803, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1605 Finance on S.B. No. 1261

The purpose of this measure is to assist small businesses producing beer by reducing the gallonage tax on the first 60,000 barrels of beer brewed or produced during a taxable year by a small brewery or brewpub to \$0.23 per gallon of beer.

Maui Brewing Co. and Kauai Island Brewing Company submitted testimony in support of this measure. The Department of Taxation, Hawaiian Craft Brewers Guild, and Tax Foundation of Hawaii offered comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1261, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1261, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1606 Finance on S.B. No. 106

The purpose of this measure is to enhance services for the elderly by:

- (1) Establishing and appropriating funds in unspecified amounts for an Alzheimer's disease and related dementia services coordinator position within the Executive Office on Aging;
- (2) Appropriating funds in unspecified amounts for the Kupuna Care Program, Aging and Disability Resource Center, and Healthy Aging Partnership Program; and
- (3) Appropriating funds in unspecified amounts for grants pursuant to Chapter 42F, Hawaii Revised Statutes, to Catholic Charities Hawaii for the Lanakila Multi-Purpose Senior Center, Moiliili Community Center for the Moiliili Senior Center, and Waikiki Community Center.

For purposes of facilitating public input on this measure, your Committee gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committee retains the provisions contained in the measure as received by your Committee, and adds provisions that:

- (1) Establish within the Department of Health, a task force on mobility management to, among other things, make recommendations on establishing a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities; and
- (2) Appropriate funds for each year of the 2013-2015 fiscal biennium for staffing, operations, and convening of the task force on mobility management.

The Office of Aging of the County of Hawaii, Maui County Office on Aging, Department of Community Services of the City and County of Honolulu, Healthcare Association of Hawaii, ILWU Local 142, and numerous individuals supported this measure. The Executive Office on Aging; Catholic Charities Hawaii; Child & Family Service; Goodwill Industries of Hawaii, Inc.; Lanakila Pacific; and Partners in Development Foundation commented on this measure.

Your Committee has amended this measure by:

- (1) Establishing the task force on mobility management within the Department of Health;
- (2) Appropriating funds for each year of the 2013-2015 fiscal biennium for the staffing, operations, and convening of the task force on mobility management; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 106, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 106, S.D. 1, H.D. 1.

Signed by all members of the Committee.

SCRep. 1607 Finance on S.B. No. 665

The purpose of this measure is to address the shortage of primary care physicians in Hawaii by appropriating funds to support the Hawaii Health Corps, diversity programs at the John A. Burns School of Medicine, increases in the faculty and infrastructure of existing family medicine residence programs, and new accredited family health centers in association with teaching hospitals.

The Hawaii Medical Service Association testified in support of this measure. The University of Hawaii System provided comments.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 665, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 665, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1608 Finance on S.B. No. 666

The purpose of this measure is to assist in effective case management and intervene to enhance communication among patients, family members, and health care providers in emergency situations by establishing a task force to:

- (1) Assess the scope and feasibility of establishing an emergency services patient advocate program to provide assistance to and advocate on behalf of patients receiving emergency medical care; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014.

A concerned individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 666, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 666, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1609 Finance on S.B. No. 1161

The purpose of this measure is to relieve the Department of Land and Natural Resources of costs associated with improper mooring and other delinquencies of ocean vessel owners by:

- (1) Authorizing court to issue an income withholding order for payment of fines imposed upon a vessel owner for violation of laws regarding abandoned vessels and establishing procedures for the execution of orders;
- (2) Clarifying that all costs and expenses associated with the impoundment and disposal of an unauthorized vessel by the Department of Land and Natural Resources shall be borne by the vessel owner; and
- (3) Clarifying circumstances when vessel registration shall not be renewed or transferred for nonpayment of fees, violation of rules, or abandonment of the vessel.

The Department of Land and Natural Resources offered comments on the measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1161, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1161, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1610 Finance on S.B. No. 1171

The purpose of this measure is to protect Hawaii's historical and cultural heritage while providing flexibility in the review of construction projects by, among other things:

- (1) Authorizing the phased review of projects by the Department of Land and Natural Resources' State Historic Preservation Division under certain conditions to ensure consistency between state and federal law; and
- (2) Deleting language that provided the Governor with the option to request the Hawaii Advisory Council on Historical Preservation to report in cases where an agency, officer, or other person is dissatisfied with a decision of the Hawaii Historic Places Review Board.

The Department of Transportation; Department of Land and Natural Resources; Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; Department of Accounting and General Services; Department of Hawaiian Home Lands; Department of Education; Department of Design and Construction of the City and County of Honolulu; Department of Transportation Services of the City and County of Honolulu; Building Industry Association of Hawaii; Hawai'i Construction Alliance; Hawaii Laborers Employers Cooperation and Education Trust; Hawaii Laborers' Union; Hawaii Regional Council of Carpenters; Pacific Resource Partnership; BKA Builders Inc.; Universal Construction, Inc.; General Contractors Association of Hawaii; Kapolei Chamber of Commerce; Hawaii Island Contractors' Association; and several concerned individuals supported this measure. The Office of Hawaiian Affairs; 'Īlio'ulaokalani Coalition; KAHEA: The Hawaiian-Environmental Alliance; Society for Hawaiian Archaeology; Ko'olau Foundation; Historic Hawai'i Foundation; Sierra Club, Hawai'i Chapter; Hui Mālama I Nā Kūpuna O Hawai'i Nei; Ko'olaupoko Hawaiian Civic Club; Makawalu; a councilmember of the Kauai County Council; and numerous concerned individuals opposed this measure. The Land Use Research Foundation of Hawaii, Native Hawaiian Legal Corporation, and several concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date from January 1, 2050, to upon its approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1171, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1171, S.D. 1, H.D. 2.

Signed by all members of the Committee.
(Representatives Ing, Lowen, Takayama and Ward voted no.)

SCRep. 1611 Finance on S.B. No. 46

The purpose of this measure is to protect post-secondary students in the State by establishing a Post-secondary Education Authorization Program within the Department of Commerce and Consumer Affairs to comply with new federal regulations for post-secondary educational institutions. This measure also repeals the State Post-secondary Education Commission, located within the University of Hawaii.

The Policy Office of the Governor, Hawaii Association of Independent Schools, Hawaii Pacific University, International Quantum University for Integrative Medicine, Akamai University, University of Phoenix, and Chaminade University of Honolulu supported this measure. The State Procurement

Office, Department of Commerce and Consumer Affairs, University of Hawaii, International University of Professional Studies, and University of the Nations provided comments.

Your Committee has amended this measure by:

- (1) Changing the appropriations to be deposited into the post-secondary education authorization special subaccount, funding amounts for three full-time equivalent permanent positions at the department of commerce and consumer affairs to implement the provisions of this measure, and funding amounts for the contracting of an implementation coordinator or team, to unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 46, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 46, S.D. 2, H.D. 3.

Signed by all members of the Committee.

SCRep. 1612 Finance on S.B. No. 1069

The purpose of this measure is to enhance the regulation of licensees under Chapter 454F, Hawaii Revised Statutes (HRS), the Secure and Fair Enforcement for Mortgage Licensing Act.

Among other things, this measure:

- (1) Clarifies licensure requirements for mortgage loan originators and mortgage loan originator companies, and for mortgage servicer companies that conduct mortgage loan origination activities;
- (2) Adjusts licensure and other administrative fees for mortgage loan origination licensees; and
- (3) Establishes licensure and other administrative fees for mortgage servicer companies that conduct mortgage loan origination activities.

The Department of Commerce and Consumer Affairs supported this measure. The Hawaii Association of Mortgage Professionals and Alston Hunt Floyd & Ing Lawyers commented on this measure.

Your Committee has amended this measure by:

- (1) Specifying fees that a sole proprietor mortgage loan originator must pay to obtain and maintain a valid sole proprietor mortgage loan originator license;
- (2) Requiring the Commissioner of Financial Institutions to submit a report detailing the implementation of Act 32, Special Session Laws of Hawaii 2009, to the Legislature no later than 30 days prior to the convening of the 2014 Regular Session to account for the effects of regulatory changes to the mortgage loan industry over the past several years; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1069, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1069, S.D. 2, H.D. 2.

Signed by all members of the Committee.

SCRep. 1613 Judiciary on S.B. No. 3

The purpose of this measure is to increase fairness in the Office of Hawaiian Affairs elections by providing for the election of the Office of Hawaiian Affairs board members through a nonpartisan primary and general election process to commence with the 2014 elections.

The Hawaiian Affairs Caucus, Maunaloa Hawaiian Civic Club, and numerous concerned individuals supported this measure. The Office of Hawaiian Affairs Beneficiary Advocacy and Empowerment Committee opposed this measure. The Office of Elections, Kauai County Elections Division of the Office of the County Clerk, and Association of Hawaiian Civic Clubs submitted comments.

Your committee has amended this measure by:

- (1) Stipulating that for elections with only one at-large seat or for elections for seats with a residency requirement:
 - (A) If there is only one candidate for any available seat after the close of filing for nomination papers, the candidate will be deemed elected;
 - (B) If there are two candidates for any available seat after the close of filing for nomination papers, the names of both candidates will automatically be placed on the ballot at the general election without a primary contest; and

- (C) If there are three or more candidates for any available seat after the close of filing for nomination papers, there will be a primary contest for the available seat and the names of the two candidates receiving the most votes in the primary will be placed on the ballot at the general election, unless one of those candidates receives more than 50 percent of the vote in which case the candidate will be deemed elected as of the primary;
- (2) Stipulating that for elections with three available at-large seats:
- (A) If there are three or fewer candidates for the available seats after the close of filing nomination papers, the candidates will be deemed elected;
- (B) If there are four, five or six candidates for the available seats after the close of filing of nomination papers, the names of all candidates will automatically be placed on the ballot at the general election without a primary contest; and
- (C) If there are seven or more candidates after the close of filing of nomination papers, there will be a primary contest for the available seats and the names of the six candidates receiving the most votes at the primary will be placed on the ballot for the general election, unless one of those candidates receives more than 50 percent of the vote in which case the candidate will be deemed elected as of the primary and not more than double the number of candidates for the available seats will advance to the general election;
- (3) Ensuring that the placement of the candidates names on the Office of Hawaiian Affairs ballots is done as in all other elections in accordance with section 11-115, Hawaii Revised Statutes; and
- (4) Establishing that in the case of a vacancy, the term of which does not end at the next general election, the vacancy shall be filled in the following manner:
- (A) If the vacancy occurs 90 days prior to the next primary election, the vacancy shall be filled for the unexpired term at the next general election and all candidates for the unexpired term shall file nomination papers not later than the date and time specified in accordance with Hawaii law governing the filing of nomination papers for elected office; and
- (B) If the vacancy occurs within 90 days of the next primary election, the vacancy shall be filled by the Office of Hawaiian Affairs board for the remainder of the term by a vote of two-thirds of the remaining board of trustees, and if the board fails to fill the vacancy within 60 days after it occurs, the Governor shall fill the vacancy within 90 days after the vacancy occurs.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.

SCRep. 1614 Judiciary on S.B. No. 328

The purpose of this measure is to increase the number of available rental options for tenants with pets by amending the Residential Landlord-Tenant Code to allow a landlord, as a condition of a rental agreement, to add to the security deposit of a tenant, an amount to compensate for damages caused by an animal that is allowed to reside in the premises.

The Humane Society of the United States, the Hawaiian Humane Society, and numerous individuals supported this measure. The Hawaii Civil Rights Commission, Disability and Communication Access Board, Hawaii Association of REALTORS, and an individual commented on this measure.

Your Committee would like to note the Hawaii Association of REALTORS' request that the effective date of this measure be reflected as November 1, 2013, to give opportunity for the Hawaii Association of REALTORS' commonly-used Rental Agreement to be amended.

Upon careful consideration, your Committee has amended this measure by:

- (1) Prohibiting the application of the additional security deposit under this measure to any assistance animal that is a reasonable accommodation for a tenant with a disability pursuant to section 515-3, Hawaii Revised Statutes;
- (2) Specifying that an additional security deposit amount for an animal:
- (A) Shall not be required from any tenant who does not have an animal that resides in the rental premises; and
- (B) Shall be no more than the amount of one month's rent; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 328, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 328, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.
(Representative McDermott voted no.)

SCRep. 1615 Judiciary on S.B. No. 1141

The purpose of this measure is to implement statutory changes recommended by the Governor's Special Action Team commissioned to address the population rate at the Hawaii State Hospital by, among other things:

- (1) Requiring public agencies with a defendant's medical, mental health, social, police, and juvenile records to release information to the court when the defendant is ordered to submit to a forensic mental health examination in order to expedite the process;
- (2) Amending Penal Code provisions to establish limits to the length of time an individual may remain on conditional release for certain criminal charges and to clarify circumstances under which the conditional release will be tolled; and
- (3) Requiring the Department of Health to submit a report prior to the Regular Session of 2015 detailing the number, frequency, and types of criminal offenses and violations committed by defendants discharged from conditional release during the period beginning with the commencement of the Regular Session of 2013 through the end of 2014.

The Judiciary, Department of Health, Office of the Public Defender, Hawaii Disability Rights Center, Hawaii Government Employees Association, and Community Alliance for Mental Health supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu and County of Hawai'i Police Department opposed this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Amending the reporting requirement to the Legislature to:
 - (A) Specify that it pertains to alleged criminal offenses and violations committed by defendants discharged from conditional release and whose conditional release was limited to one year; and
 - (B) Specify that the period covered in the report ends on December 1, 2014, rather than on December 31, 2014;
- (2) Clarifying the tolling provision to state that the period of conditional release of no more than one year is tolled under the specified circumstances; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1141, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1141, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Cabanilla.

SCRep. 1616 Judiciary on S.B. No. 535

The purpose of this measure is to extend certain basic labor rights and protections to domestic workers by:

- (1) Prohibiting an employer from discharging or discriminating against a domestic worker in compensation or in terms, conditions, or privileges of employment because of the domestic worker's membership in any of the specified protected classes; and
- (2) Applying the protections of the State's Wage and Hour Law to domestic workers other than those employed on a casual basis or performing companionship services.

The Department of Labor and Industrial Relations, Hawai'i Civil Rights Commission, Hawaii State Commission on the Status of Women, UNITE HERE Local 5, National Employment Law Project, National Domestic Workers Alliance, the First Lady of the State of Hawaii, and several concerned individuals supported this measure. United Public Workers, AFSCME, Local 646, AFL-CIO and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Specifying that "companionship services" does not include services for the aged or infirm that require and are performed by trained personnel, such as a registered or practical nurse;
- (2) Clarifying the definition of "casual basis";
- (3) Removing nurses from the definition of "domestic service"; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 535, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 535, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Cabanilla.
(Representatives McDermott and Thielen voted no.)

SCRep. 1617 Water & Land on S.B. No. 1207

The purpose of this measure is to enable the Harbors Division of the Department of Transportation to implement needed state harbor projects by exempting all work involving submerged lands used for state commercial harbors purposes from permitting and site plan approval requirements applicable to lands in a conservation district.

Your Committee received testimony in support of this measure from the Department of Transportation. The Office of Hawaiian Affairs, Country Talk Story, and several individuals submitted testimony in opposition to this measure. The Building Industry Association of Hawaii and one individual submitted comments.

Your Committee has amended this measure by:

- (1) Clarifying that the exemption from permitting and site plan approval requirements applies only in contexts where those permitting and approval requirements overlap with other state or federal environmental regulatory requirements;
- (2) Clarifying that the exemption applies only to maintenance work to rehabilitate and upgrade the existing state harbor system, and not to submerged lands that are not currently part of that system; and
- (3) Changing its effective date to July 1, 2020, to encourage further discussion.

Your Committee finds that the Department of Land and Natural Resources is consulted and has the opportunity to comment on existing Department of Transportation commercial harbors projects or actions through existing agency consultation processes associated with various state and federal regulatory requirements applicable to conservation lands and resources including the environmental review process pursuant to Chapter 343, Hawaii Revised Statutes, and federal regulations for projects involving the United States Army Corps of Engineers.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1207, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1207, H.D. 2.

Signed by all members of the Committee except Representative Lee.
(Representatives Lowen and Thielen voted no.)

SCRep. 1618 Finance on S.B. No. 345

The purpose of this measure is to update fees associated with the licensing of portable electronics insurance vendors to align these fees more closely with similar licensing fees in other jurisdictions.

Asurion testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 345, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 345, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.
(Representative Ward voted no.)

SCRep. 1619 Finance on S.B. No. 1196

The purpose of this measure is to enhance tax enforcement by requiring businesses to offer a receipt or other record for and keep records of all cash-based transactions, excluding casual sales.

The Department of Taxation provided testimony in support of this measure. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1196, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1196, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 1620 Judiciary on S.B. No. 310

The purpose of this measure is to amend provisions of Chapter 334, part VIII, to establish an assisted community treatment program to better serve individuals with severe mental illness and to reduce the hospitalization and incarceration of persons with severe mental illness.

The State Council on Mental Health, PHOCUSED, Catholic Charities Hawaii, Hawaii Catholic Conference, the Hawaii Substance Abuse Coalition, Institute for Human Services, Mental Health America of Hawaii, National Alliance on Mental Illness Hawaii State, Chapter, Waikiki Health Center, and several concerned individuals submitted testimony in support of the measure. The Office of the Public Defender, Honolulu Police Department, and a concerned individual opposed this measure. The Department of the Attorney General, the Department of Public Safety, the Department of Health, Community Alliance for Mental Health, United Self Help, Hawaii Disability Rights Center, The Queen's Health Systems, and two concerned individuals provided comments.

Your Committee notes that although it has amended this measure by inserting an effective date of July 1, 2050, the Department of Health's requested effective date of July 1, 2015, for this measure is appropriate.

Your Committee has amended this measure by:

- (1) Incorporating the Attorney General's recommended amendments to generally clarify the criteria and processes for orders to obtain assisted community treatment and for discharge from or retention in a treatment program;
- (2) Including a confidentiality provision to specify that the records, files, and court orders relating to any individual subject to the assisted community treatment program established by this measure are protected by specified confidentiality protections contained in state and federal law;
- (3) Including a requirement that the State shall reimburse private hospitals for services provided to uninsured subjects of an order to assisted community treatment; and
- (4) Making technical, nonsubstantive amendments, including conforming amendments to various statutory sections, for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 310, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 310, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1621 Judiciary on S.B. No. 1180

The purpose of this measure is to clarify the procedure to emergency schedule a controlled substances by:

- (1) Providing criteria that that Administrator of the Narcotics Enforcement Division of the Department of Public Safety shall consider when determining whether a substance should be emergency scheduled; and
- (2) Requiring the Department of Public Safety to post a public notice at the State Capitol, in the Office of the Lieutenant Governor, and on the Department's website thirty days prior to the effective date of any emergency scheduling act.

The Department of the Attorney General and Department of Public Safety provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1180, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1180, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.

SCRep. 1622 Judiciary on S.B. No. 1016

The purpose of this measure is to update the covered offender registration law to clarify provisions, address issues that have arisen in implementation, and continue efforts to comply with the federal Sex Offender Registration and Notification Act. Among other things, this measure:

- (1) Amends definitions included in the covered offender registration law for purposes of conforming to federal law, maintaining internal consistency, and deleting obsolete terms;
- (2) Clarifies that covered offenders, whether or not residents of Hawaii, who remain in Hawaii for more than ten days or for an aggregate period exceeding thirty days in one calendar year, are required to register with the Attorney General and provide current permanent and temporary address information;
- (3) Clarifies that the court shall advise a covered offender of the registration requirements and start the registration process after sentencing and the entry of a judgment;

- (4) Provides for quarterly updates to registry information by mail for covered offenders with a permanent mailing address and in-person for those without a permanent mailing address;
- (5) Expands the conditions under which a person commits the offense of failure to comply with registration requirements;
- (6) Provides procedures for circumstances where the defendant intends to rely upon the defense that the defendant was in custody or civilly committed; and
- (7) Amends the classification of offenses for purposes of duration of registration requirements to account for offenses prosecuted in tribal or foreign jurisdictions and that are not otherwise classified in statute.

The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and The Sex Abuse Treatment Center supported this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "foreign conviction" for convictions in countries other than Canada, United Kingdom, Australia, and New Zealand, by requiring that the United States Department of State Country Reports on Human Rights Practices also conclude that the independent judiciary of that country enforces the right to a fair trial to the same or higher standard as Canada, United Kingdom, Australia, and New Zealand;
- (2) Making it effective upon its approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1016, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1016, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1623 Economic Development & Business on H.C.R. No. 212

The purpose of this measure is to promote economic and environmental sustainability in Hawaii by requesting the High Technology Development Corporation to establish a five-year hydrogen fueling station demonstration project, operated through public and private partnerships, to begin on July 1, 2013.

General Motors, LLC, and one concerned individual submitted testimony in support of this measure. The High Technology Development Corporation offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 212 and recommends its adoption.

Signed by all members of the Committee except Representative Choy.

SCRep. 1624 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 130

The purpose of this measure is to recognize and honor those who fought the battles of World War II in the Pacific Theater, including the more than 100,000 soldiers who sacrificed their lives in these conflicts, by urging Congress to support the construction of a War in the Pacific Memorial at the Pearl Harbor Visitor Center.

The US Navy League-Honolulu Council supported this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 130 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1625 Transportation/Economic Development & Business on H.C.R. No. 204

The purpose of this measure is to examine ways to reduce costs and improve the timely shipping of goods to Oahu from Molokai, Lanai, and Hana, Maui by requesting the Director of Business, Economic Development, and Tourism to establish a working group to study such matters and make recommendations.

Three members of the Maui County Council supported this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Young Brothers, Limited; and a concerned individual provided comments.

Your Committees have amended this measure by:

- (1) Including in the working group:

- (A) The Chairperson of the Public Utilities Commission; and
 - (B) A representative from the shipping industry; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Economic Development & Business that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 204, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 204, H.D. 1.

Signed by all members of the Committee except Representatives Aquino, Cachola, Takumi and Ward.

SCRep. 1626 Tourism on H.C.R. No. 206

The purpose of this measure is to encourage economic diversification by requesting the Chairperson of the Board of Agriculture to convene an Agricultural Tourism Task Force to examine the feasibility of:

- (1) Authorizing agricultural tourism activities on agricultural lands; and
- (2) Exempting farmers and cattlemen, who have operated an agricultural business and paid general excise taxes for at least five consecutive years, from county laws relating to the construction of buildings or structures that are used for agricultural tourism activities.

The Department of Agriculture offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 206, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ohno and Onishi.

SCRep. 1627 Judiciary on H.R. No. 175

The purpose of this measure is to request the Department of Health to issue certificates of birth, marriage, divorce, and death containing names in the Hawaiian language as accurately and within the same time frame as certificates containing names that are not in the Hawaiian language.

Two concerned individuals supported this measure. The Department of Health submitted comments on the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 175 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1628 Judiciary on H.C.R. No. 221

The purpose of this measure is to request the Department of Health to issue certificates of birth, marriage, divorce, and death containing names in the Hawaiian language as accurately and within the same time frame as certificates containing names that are not in the Hawaiian language.

The Beneficiary Advocacy and Empowerment Committee of the Office of Hawaiian Affairs and several concerned individuals supported this measure. The Department of Health submitted comments on the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 221 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1629 Judiciary on H.R. No. 130

The purpose of this measure is to request the Department of Hawaiian Home Lands, in consultation with DeBartolo Development, LLC, to provide the Legislature with a written report on the Ka Makana Alii project that includes updates and projections regarding the project and information regarding the status and effect of Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012.

The Department of Hawaiian Home Lands submitted testimony in support of the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 130 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1630 Judiciary on H.C.R. No. 162

The purpose of this measure is to request the Department of Hawaiian Home Lands, in consultation with DeBartolo Development, LLC, to provide the Legislature with a written report on the Ka Makana Alii project that includes updates and projections regarding the project and information regarding the status and effect of Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012.

The Department of Hawaiian Home Lands submitted testimony in support of the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1631 Judiciary on H.R. No. 71

The purpose of this measure is to ensure the safety of the public and first responders by requesting the Hawaii State Civil Defense to conduct a study regarding what actions, if any, should be taken when people refuse to leave their homes or close their businesses that are located in evacuation zones during natural disasters.

The Department of Defense and Department of Emergency Management of the City and County of Honolulu supported this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Expanding the scope of the study to include examining what situations, if any, would remaining in an evacuation zone during a natural disaster be appropriate;
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 71, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1632 Judiciary on H.C.R. No. 89

The purpose of this measure is to ensure the safety of the public and first responders by requesting the Hawaii State Civil Defense to conduct a study regarding what actions, if any, should be taken when people refuse to leave their homes or close their businesses that are located in evacuation zones during natural disasters.

The Department of Defense and Department of Emergency Management of the City and County of Honolulu supported this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Expanding the scope of the study to include examining what situations, if any, would remaining in an evacuation zone during a natural disaster be appropriate;
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 89, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 89, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1633 Judiciary on H.C.R. No. 173

The purpose of this measure is to decrease the costs of incarceration, overcrowding in prisons, and the rate of recidivism by encouraging the Department of Public Safety to expand community drug treatment and mental health programs for nonviolent offenders and move low-risk offenders into community programs that directly address their pathways to incarceration.

The Office of Hawaiian Affairs, Community Alliance on Prisons, Hawaii Government Employees Association, Hawaii Substance Abuse Coalition, and a concerned individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 173 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1634 Economic Development & Business on H.R. No. 180

The purpose of this measure is to support efforts to secure funding to determine the feasibility of establishing a commercial space launch and control facility in Hawaii.

The Department of Business, Economic Development, and Tourism; former Governor George Ariyoshi; and Launch for Future testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 180 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Choy.

SCRep. 1635 Economic Development & Business on H.R. No. 112

The purpose of this measure is to stimulate new business and development opportunities in Hawaii by establishing a task force within the Department of Business, Economic Development, and Tourism to recommend potential viable locations and implementation strategies for proposed 24 hour-marketplaces across the state.

The Hawaii Small Business Development Network and several concerned individuals supported this measure. One concerned individual opposed this measure. The Department of Business, Economic Development, and Tourism offered comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 112 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Choy.

SCRep. 1636 Judiciary on H.R. No. 88

The purpose of this measure is to restore access to important and fundamental federal programs for United States resident workers, taxpayers, students, and community members present under the Compacts of Free Association by urging Congress to include resident citizens of the Freely Associated States as "qualified aliens" and restore their program eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act.

The Office of Hawaiian Affairs, Hawaii Civil Rights Commission, Hawaii Appleseed Center for Law and Economic Justice, HealthyPacific.Org, COFA Community Advocacy Network, Hepatitis Support Network of Hawaii, and numerous concerned individuals supported this measure.

Your Committee has amended this measure by deleting the requirement that certified copies of this Concurrent Resolution be transmitted to certain congressional leaders and committees. Since copies of this measure will be transmitted to members of Hawaii's congressional delegation, they may decide to use or distribute this measure as they see fit.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 88, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 88, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1637 Judiciary on H.C.R. No. 117

The purpose of this measure is to restore access to important and fundamental federal programs for United States resident workers, taxpayers, students, and community members present under the Compacts of Free Association by urging Congress to include resident citizens of the Freely Associated States as "qualified aliens" and restore their program eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act.

The Office of Hawaiian Affairs, Hawaii Civil Rights Commission, Hawaii Appleseed Center for Law and Economic Justice, HealthyPacific.Org, COFA Community Advocacy Network, Japanese American Citizens League, Hepatitis Support Network of Hawaii, and numerous concerned individuals supported this measure. A concerned individual provided comments.

Your Committee has amended this measure by deleting the requirement that certified copies of this Concurrent Resolution be transmitted to certain congressional leaders and committees. Since copies of this measure will be transmitted to members of Hawaii's congressional delegation, they may decide to use or distribute this measure as they see fit.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 117, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 117, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1638 Tourism on H.R. No. 22

The purpose of this measure is to continue to promote Hawaii's long-standing relationship with China as well as improve Hawaii's economy and encourage travel to the United States by Chinese visitors by urging the United States Department of State, the Department of Homeland Security, and the United States Attorney General to ease visa restrictions and the visa application and approval process for individuals from the People's Republic of China.

The Hawaii Tourism Authority, Councilmember of the Maui County Council representing Lanai, Treasurer of the Hawaii State Association of Counties, and a concerned individual supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 22, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 22, H.D. 1.

Signed by all members of the Committee except Representatives Ohno and Onishi.

SCRep. 1639 Tourism on H.C.R. No. 8

The purpose of this measure is to continue to promote Hawaii's long-standing relationship with China as well as improve Hawaii's economy and encourage travel to the United States by Chinese visitors by urging the United States Department of State, the Department of Homeland Security, and the United States Attorney General to ease visa restrictions and the visa application and approval process for individuals from the People's Republic of China.

The Hawaii Tourism Authority, Council Chairperson of the Kauai County Council, Councilmember of the Kauai County Council, Councilmember of the Hawaii County Council representing District Three, Councilmember of the Maui County Council representing Lanai, Hawaii State Association of Counties, Treasurer of the Hawaii State Association of Counties, Secretary of the Hawaii State Association of Counties Executive Committee, and a concerned individual supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 8, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 8, H.D. 1.

Signed by all members of the Committee except Representatives Ohno and Onishi.

SCRep. 1640 Finance on H.C.R. No. 36

The purpose of this measure is to request the Hawaii Public Housing Authority and the Hawaii Housing Finance and Development Corporation to create a redevelopment master plan and more housing units for Kukui Gardens and Mayor Wright Homes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 36, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1641 Finance on H.R. No. 30

The purpose of this measure is to request the establishment of a task force to examine the feasibility of forming a University of Hawaii at Hilo men's volleyball team.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 30 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1642 Finance on H.C.R. No. 48

The purpose of this measure is to request the establishment of a task force to examine the feasibility of forming a University of Hawaii at Hilo men's volleyball team.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 48 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1643 Finance on H.C.R. No. 23

The purpose of this measure is to request the formation of a task force to develop recommendations for improving obesity prevention-related services and counseling in accordance with the implementation of the Patient Protection and Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 23, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1644 Finance on H.R. No. 39

The purpose of this measure is to request the Department of Health to develop an action plan to eliminate diesel cremators in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 39 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1645 Finance on H.C.R. No. 54

The purpose of this measure is to request the Department of Health to develop an action plan to eliminate diesel cremators in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 54 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1646 Finance on H.R. No. 62

The purpose of this measure is to urge the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to pay the TRICARE Reserve Select premium for eligible State and County employees who are members of the National Guard and Reserves who decline health insurance coverage through the Hawaii Employer-Union Health Benefits Trust Fund and instead opt for health insurance coverage through TRICARE Reserve Select.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1647 Finance on H.C.R. No. 81

The purpose of this measure is to urge the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund to pay the TRICARE Reserve Select premium for eligible State and County employees who are members of the National Guard and Reserves who decline health insurance coverage through the Hawaii Employer-Union Health Benefits Trust Fund and instead opt for health insurance coverage through TRICARE Reserve Select.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 81 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1648 Finance on H.R. No. 93

The purpose of this measure is to request the Department of Taxation to convene a working group to evaluate the feasibility of imposing a sales tax on non-essential food items.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 93, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1649 Finance on H.C.R. No. 122

The purpose of this measure is to request the Department of Taxation to convene a working group to evaluate the feasibility of imposing a sales tax on non-essential food items.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 122, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1650 Finance on H.R. No. 172

The purpose of this measure is to urge the convening of a task force to establish a stroke system of care in the state.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 172, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1651 Finance on H.C.R. No. 216

The purpose of this measure is to urge the convening of a task force to establish a stroke system of care in the state.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 216, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1652 Finance on H.R. No. 85

The purpose of this measure is to request the Auditor to conduct a study on the potential effects of allowing graduate students of the University of Hawaii to unionize.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 85 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1653 Finance on H.C.R. No. 114

The purpose of this measure is to request the Auditor to conduct a study on the potential effects of allowing graduate students of the University of Hawaii to unionize.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 114 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1654 Finance on H.R. No. 89

The purpose of this measure is to request the Department of Human Services to prepare a progress report on detailing efforts to improve and re-engineer processing for adult protective services.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 89, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1655 Finance on H.C.R. No. 118

The purpose of this measure is to request the Department of Human Services to prepare a progress report on detailing efforts to improve and re-engineer processing for adult protective services.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 118, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1656 Finance on H.C.R. No. 184

The purpose of this measure is to request the auditor to conduct a comprehensive financial audit of the Department of Human Services Med-Quest Division, with emphasis on the Medicaid program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 184 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1657 Finance on H.R. No. 102

The purpose of this measure is to recognize the week of October 6 through 13, 2013, as "Hawaii Fishing and Seafood Week."

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 102 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1658 Finance on H.C.R. No. 132

The purpose of this measure is to recognize the week of October 6 through 13, 2013, as "Hawaii Fishing and Seafood Week."

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 132 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1659 Finance on H.R. No. 14

The purpose of this measure is to request the Department of Education to meet with interested parties to examine the feasibility of establishing a boxing pilot program in at least one of Hawaii's public high schools.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 14, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1660 Finance on H.C.R. No. 30

The purpose of this measure is to request the Department of Education to meet with interested parties to examine the feasibility of establishing a boxing pilot program in at least one of Hawaii's public high schools.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1661 Finance on H.C.R. No. 92

The purpose of this measure is to request the Department of Education to expand the Mandarin Chinese language curriculum in public high schools.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 92, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1662 Finance on H.R. No. 90

The purpose of this measure to request the Executive Office on Early Learning to conduct a study on the feasibility of using social impact bonds to fund early learning programs and services.

Testimony in support of this measure was received by the Department of Budget and Finance, Hawaii Association of Independent Schools, Good Beginnings Alliance, and Hawaii AEYC. The Executive Office on Early Learning and the Legislative Reference Bureau provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 90 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1663 Finance on H.C.R. No. 119

The purpose of this measure to request the Executive Office on Early Learning to conduct a study on the feasibility of using social impact bonds to fund early learning programs and services.

Testimony in support of this measure was received by the Department of Budget and Finance, Hawaii Association of Independent Schools, Good Beginnings Alliance, and Hawaii AEYC. The Executive Office on Early Learning and the Legislative Reference Bureau provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 119 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1664 Finance on H.R. No. 127

The purpose of this measure is to request a study of the fairness of Hawaii tax law with regard to itemized deductions.

The Department of Taxation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 127 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1665 Finance on H.C.R. No. 158

The purpose of this measure is to request a study of the fairness of Hawaii tax law with regard to itemized deductions.

The Department of Taxation opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 158 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1666 Finance on H.R. No. 137

The purpose of this measure is to urge the City and County of Honolulu and homeless service organizations to provide and maintain portable toilets in the downtown Honolulu area, including Kakaako and Chinatown.

A member of the Downtown Neighborhood Board and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 137 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1667 Finance on H.C.R. No. 169

The purpose of this measure is to urge the City and County of Honolulu and homeless service organizations to provide and maintain portable toilets in the downtown Honolulu area, including Kakaako and Chinatown.

A member of the Downtown Neighborhood Board and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 169 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1668 Finance on H.R. No. 170

The purpose of this measure is to request the establishment of a task force to study and make recommendations regarding the creation of a crowdfunding program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 170 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1669 Finance on H.C.R. No. 214

The purpose of this measure is to request the establishment of a task force to study and make recommendations regarding the creation of a crowdfunding program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 214 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1670 Finance on H.R. No. 100

The purpose of this measure is to request the Director of Health to develop partnerships to address the data gap on air, surface water, and near shore effects of atrazine.

Your Committee has amended this measure by deleting a statistic cited in a report that could not be verified.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 100, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 100, H.D. 2.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1671 Finance on H.C.R. No. 129

The purpose of this measure is to request the Director of Health to develop partnerships to address the data gap on air, surface water, and near shore effects of atrazine.

Your Committee has amended this measure by deleting a statistic cited in a report that could not be verified.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 129, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 129, H.D. 2.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1672 Finance on H.C.R. No. 102

The purpose of this measure is to request the Department of Agriculture to implement differentiated water toll rates and charges for the Hamakua District irrigation system.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 102 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1673 Finance on H.R. No. 110

The purpose of this measure is to urge the Department of Agriculture to establish a program to award grants to farmers who implement natural farming.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 110, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1674 Finance on H.C.R. No. 140

The purpose of this measure is to urge the Department of Agriculture to establish a program to award grants to farmers who implement natural farming.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1675 Finance on H.R. No. 149

The purpose of this measure is to request the United States congress to support legislation requiring the Department of Agriculture and Food and Drug Administration to come up with a nation-wide system for monitoring, labeling, and enforcing the labeling of all whole and processed genetically engineered foods.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 149 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1676 Finance on H.R. No. 26

The purpose of this measure is to request the Department of Taxation, with the cooperation of the Department of Business, Economic Development, and Tourism, to conduct a study on the feasibility of offering a solar water heating system tax credit.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 26 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1677 Finance on H.C.R. No. 44

The purpose of this measure is to request the Department of Taxation, with the cooperation of the Department of Business, Economic Development, and Tourism, to conduct a study on the feasibility of offering a solar water heating system tax credit.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 44 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1678 Finance on H.C.R. No. 226

The purpose of this measure is to express support for federal funding to finance a comprehensive feasibility study to evaluate the potential for establishing a world-class commercial space launch and control facility in the state of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 226 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1679 Finance on H.C.R. No. 25

The purpose of this measure is to approve the exchange of land between the state and Hawaii Baptist Academy.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 25 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1680 Finance on H.C.R. No. 104

The purpose of this measure is to authorize the issuance of a non-exclusive easement covering a portion of State submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to the reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 104 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1681 Finance on H.R. No. 109

The purpose of this measure is to request the Chairperson of the Board of Land and Natural Resources to establish a coastal memorials task force.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 109 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1682 Finance on H.C.R. No. 139

The purpose of this measure is to request the Chairperson of the Board of Land and Natural Resources to establish a coastal memorials task force.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 139 and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1683 Finance on H.C.R. No. 181

The purpose of this measure is to request the Department of Land and Natural Resources to submit a report to the legislature on current and potential revenue generating activities on state-owned land at Sand Island.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 181, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 1684 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 72

The purpose of this measure is to assist military families in relocating to Hawaii and transitioning into the Hawaii community by urging the state Department of Defense and the Military Affairs Council of The Chamber of Commerce of Hawaii to establish an interagency working group to assess the operational and budgetary feasibility of a Consolidated Military Transition, Immersion, and Education Center for military families in Hawaii.

The Office of Hawaiian Affairs, Military Officers Association of Hawaii, and a concerned individual testified in support of this measure. The Chamber of Commerce of Hawaii testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing its title to read: "URGING THE VARIOUS BRANCHES OF THE UNITED STATES ARMED SERVICES IN THE STATE OF HAWAII, IN COOPERATION WITH THE MILITARY AFFAIRS COUNCIL OF THE CHAMBER OF COMMERCE OF HAWAII, TO ESTABLISH A WORKING GROUP TO ASSESS THE FEASIBILITY OF A CONSOLIDATED MILITARY TRANSITION, IMMERSION, AND EDUCATION CENTER";
- (2) Urging the various branches of the United States Armed Services in Hawaii, rather than the state Department of Defense, to work in cooperation with the Military Affairs Council of The Chamber of Commerce of Hawaii to establish the interagency working group;
- (3) Including senior enlisted personnel and their spouses from all military bases in Hawaii as members of the working group;
- (4) Removing the Adjutant General of the State of Hawaii, Speaker of the House of Representatives, and President of the Senate as recipients of a certified copy of the measure;
- (5) Adding the Commander of the United States Pacific Command; Commander of the United States Pacific Fleet; Commander of the United States Pacific Air Forces; Commanding General of the United States Army Pacific; Commander of the United States Marine Corps Forces Pacific; and Commander of the 14th Coast Guard District as individuals to whom certified copies of the measure are to be sent; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 72, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 72, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1685 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 90

The purpose of this measure is to assist military families in relocating to Hawaii and transitioning into the Hawaii community by urging the state Department of Defense and the Military Affairs Council of The Chamber of Commerce of Hawaii to establish an interagency working group to assess the operational and budgetary feasibility of a Consolidated Military Transition, Immersion, and Education Center for military families in Hawaii.

The Office of Hawaiian Affairs, Military Officers Association of Hawaii, and a concerned individual testified in support of this measure. The Chamber of Commerce of Hawaii testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Changing its title to read: "URGING THE VARIOUS BRANCHES OF THE UNITED STATES ARMED SERVICES IN THE STATE OF HAWAII, IN COOPERATION WITH THE MILITARY AFFAIRS COUNCIL OF THE CHAMBER OF COMMERCE OF HAWAII, TO ESTABLISH A WORKING GROUP TO ASSESS THE FEASIBILITY OF A CONSOLIDATED MILITARY TRANSITION, IMMERSION, AND EDUCATION CENTER";
- (2) Urging the various branches of the United States Armed Services in Hawaii, rather than the state Department of Defense, to work in cooperation with the Military Affairs Council of The Chamber of Commerce of Hawaii to establish the interagency working group;
- (3) Including senior enlisted personnel and their spouses from all military bases in Hawaii as members of the working group;
- (4) Removing the Adjutant General of the State of Hawaii, Speaker of the House of Representatives, and President of the Senate as recipients of a certified copy of the measure;
- (5) Adding the Commander of the United States Pacific Command; Commander of the United States Pacific Fleet; Commander of the United States Pacific Air Forces; Commanding General of the United States Army Pacific; Commander of the United States Marine Corps Forces Pacific; and Commander of the 14th Coast Guard District as individuals to whom certified copies of the measure are to be sent; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 90, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 90, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1686 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 53

The purpose of this measure is to support the basis of our representative democracy and the rights of America's citizens by:

- (1) Expressing the Legislature's commitment to the rights and liberties enshrined within the Constitution of the United States and in particular, the Fifth Amendment right to due process, the Sixth Amendment right to trial, and the Eighth Amendment prohibition on cruel and unusual punishment;
- (2) Requesting public agencies of the State and the counties to decline requests by federal agencies acting under detention powers granted by the National Defense Authorization Act or any authorization of force that could infringe upon the constitutional freedoms of speech, religion, assembly, privacy, or rights to counsel;
- (3) Requesting federal and state law enforcement officials acting in Hawaii to work in accordance with local laws and in cooperation with the county police, by allowing any detainees among Hawaii's residents or visitors access to a trial, counsel, and due process, as provided by Article III of the Constitution of the United States, the Bill of Rights, and Article I of the Hawaii State Constitution; and
- (4) Requesting the members of Hawaii's Congressional delegation to monitor the implementation of the National Defense Authorization Act and actively work for the repeal of the National Defense Authorization Act's detention provisions, in order to restore fundamental rights and liberties embodied in the Hawaii State Constitution and the Constitution of the United States.

A concerned individual provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 53 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1687 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 69

The purpose of this measure is to support the basis of our representative democracy and the rights of America's citizens by:

- (1) Expressing the Legislature's commitment to the rights and liberties enshrined within the Constitution of the United States and in particular, the Fifth Amendment right to due process, the Sixth Amendment right to trial, and the Eighth Amendment prohibition on cruel and unusual punishment;
- (2) Requesting public agencies of the State and the counties to decline requests by federal agencies acting under detention powers granted by the National Defense Authorization Act or any authorization of force that could infringe upon the constitutional freedoms of speech, religion, assembly, privacy, or rights to counsel;
- (3) Requesting federal and state law enforcement officials acting in Hawaii to work in accordance with local laws and in cooperation with the county police, by allowing any detainees among Hawaii's residents or visitors access to a trial, counsel, and due process, as provided by Article III of the Constitution of the United States, the Bill of Rights, and Article I of the Hawaii State Constitution; and
- (4) Requesting the members of Hawaii's Congressional delegation to monitor the implementation of the National Defense Authorization Act and actively work for the repeal of the National Defense Authorization Act's detention provisions, in order to restore fundamental rights and liberties embodied in the Hawaii State Constitution and the Constitution of the United States.

The Japanese American Citizens League - Honolulu Chapter and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 69 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Choy and McDermott.

SCRep. 1688 Health on H.C.R. No. 22

The purpose of this measure is to achieve transportation and land use policies that promote health by requesting the Department of Health to establish a Health Community Design Task Force to develop legislative recommendations that integrate improving health as a priority in land use planning and transportation decisions.

The Office of Hawaiian Affairs and numerous individuals supported this measure. The Department of Health supported this measure with amendments. The Office of Planning and the Department of Transportation supported the intent of this measure. The Land Use Research Foundation of Hawaii opposed this measure.

Your Committee has amended this measure by:

- (1) Adding the Director of the Office of Planning or the Director's designee to the task force membership;
- (2) Specifying that a certified copy of this measure be transmitted to the Director of the Office of Planning; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 22, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 22, H.D. 2.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Jordan.

SCRep. 1689 Judiciary on H.C.R. No. 217

The purpose of this measure is to request the Dean of the William S. Richardson School of Law at the University of Hawaii at Manoa to convene a task force to study the social, economic, and religious impacts of enacting marriage equality in Hawaii.

The American Civil Liberties Union of Hawaii; IMUAlliance; Japanese American Citizens League Honolulu Chapter; and Gay, Lesbian, Bisexual, and Transgender Caucus of the Democratic Party of Hawai'i testified in support of this measure. Several concerned individuals testified in opposition to this measure. The Hawaii Civil Rights Commission submitted comments on this measure.

Your Committee notes the comments made by testifiers at the hearing regarding the composition of the task force and whether the measure specifies the best collection of individuals to study this matter. It was conveyed at the hearing that the designated chair of the task force, the Dean of the William S. Richardson School of Law at the University of Hawaii at Manoa, has indicated his willingness to serve as the chair and, as a result, he will be charged with selecting the remaining task force members. Your Committee has full confidence that the Dean will make reasoned and balanced appointments in accordance with the specifications set by this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 217 and recommends its adoption.

Signed by all members of the Committee except Representatives Cabanilla, Carroll and Ito.
(Representative McDermott voted no.)

SCRep. 1690 Judiciary on H.R. No. 81

The purpose of this measure is to support the residents of the District of Columbia by urging Congress to grant full voting rights to District of Columbia residents.

DC Vote and an individual testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 81, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 81, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.
(Representative McDermott voted no.)

SCRep. 1691 Judiciary on H.C.R. No. 106

The purpose of this measure is to support the residents of the District of Columbia by urging Congress to grant full voting rights to District of Columbia residents.

DC Vote and two individuals testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 106, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 106, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Ito, Kawakami and Lee.
(Representative McDermott voted no.)

SCRep. 1692 Judiciary on H.R. No. 178

The purpose of this measure is to urge the United States Department of Homeland Security to examine and re-evaluate protections for refugee and asylum seekers including its policies about not returning ("non-refoulement") a person to a country where he or she is at risk of being subjected to persecution.

Numerous concerned individuals testified in support of the measure. Several individuals offered comments and one individual testified in opposition.

Your Committee has amended this measure by:

- (1) Clarifying the description of "non-refoulement";

- (2) Clarifying that the measure applies to both refugee status seekers (individuals outside the United States) and asylum status seekers (individuals who are already in the United States);
- (3) Adding information about other relevant protocols and conventions;
- (4) Deleting "true" and "truly" from descriptions of refugee and asylum seekers;
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 178, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 178, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1693 Judiciary on H.C.R. No. 224

The purpose of this measure is to urge the United States Department of Homeland Security to examine and re-evaluate protections for refugee and asylum seekers including its policies about not returning (“non-refoulement”) a person to a country where he or she is at risk of being subjected to persecution.

Numerous concerned individuals testified in support of the measure. Several individuals offered comments and one individual testified in opposition.

Your Committee has amended this measure by:

- (1) Clarifying the description of "non-refoulement";
- (2) Clarifying that the measure applies to both refugee status seekers (individuals outside the United States) and asylum status seekers (individuals who are already in the United States);
- (3) Adding information about other relevant protocols and conventions;
- (4) Deleting "true" and "truly" from descriptions of refugee and asylum seekers;
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 224, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 224, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Cabanilla, Carroll, Kawakami and McDermott.

SCRep. 1694 Education on H.R. No. 55

The purpose of this measure is to foster and sustain international friendship, understanding, and goodwill between the people of Hawaii and the people of the Republic of the Philippines by requesting the Department of Education to support a student exchange program between students from Hawaii and students from the Republic of the Philippines.

The Department of Education, the Congress of Visayan Organizations, the JCI-Hawaii Filipino Junior Chamber of Commerce, Dance Hawaii, Inc., Hawaii State Foundation on Culture and the Arts, and several concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 55, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Takai, Cheape and Fale.

SCRep. 1695 Education on H.C.R. No. 71

The purpose of this measure is to foster and sustain international friendship, understanding, and goodwill between the people of Hawaii and the people of the Republic of the Philippines by requesting the Department of Education to support a student exchange program between students from Hawaii and students from the Republic of the Philippines.

The Department of Education, the Congress of Visayan Organizations, the JCI-Hawaii Filipino Junior Chamber of Commerce, Dance Hawaii, Inc., Hawaii State Foundation on Culture and the Arts, and several concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 71, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Takai, Cheape and Fale.

SCRep. 1696 Education on H.C.R. No. 98

The purpose of this measure is to recognize Hawaii's unique advantages in educating students in the environmental and marine sciences by expressing support for the ongoing efforts to plan and develop a science, technology, engineering, and math research and education center in Kaka'ako Makai.

The Department of Education, Department of Defense, the University of Hawaii Kewalo Marine Laboratory, the University of Hawaii, the Hawaii Educational Policy Center, the Kaka'ako Makai Community Planning Advisory Council, the Friends of Kewalos, the Howard Hughes Corporation, and several concerned individuals supported this measure. Two concerned individuals supported this measure with amendments. The Office of Hawaiian Affairs provided comments.

Your Committee notes that adding language reflecting the research aspect of the center be added into the title and body.

Accordingly, your Committee has amended this measure by:

1) Changing its title to read: EXPRESSING SUPPORT FOR ONGOING EFFORTS TO PLAN AND DEVELOP A SCIENCE, TECHNOLOGY, ENGINEERING, AND MATH (STEM) RESEARCH AND EDUCATION CENTER IN KAKA'AKO MAKAI.

2) By including the term "research" to follow every instance of STEM when the center is referenced in the body of the measure, and to replace the following word of training with "education" to concur with the above title. So that both instances where this occurs now read as "STEM research and education center."

3) Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 98, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 98, H.D. 1.

Signed by all members of the Committee except Representatives Takai, Cheape and Fale.

SCRep. 1697 Transportation on H.R. No. 156

The purpose of this measure is to:

- (1) Recognize the Native Hawaiian Hospitality Association for its work in preparing for the designation of Waikīkī — Kauhale O Ho'okipa as a state scenic byway;
- (2) Support the Native Hawaiian Hospitality Association's work; and
- (3) Support the designation of Waikīkī – Kauhale O Ho'okipa Scenic Byway as a National Scenic Byway.

The Department of Transportation Services of the City and County of Honolulu, Native Hawaiian Hospitality Association, Papa Ola Lokahi, and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 156 and recommends its adoption.

Signed by all members of the Committee except Representatives Yamashita and Fukumoto.

SCRep. 1698 Transportation on H.C.R. No. 195

The purpose of this measure is to:

- (1) Recognize the Native Hawaiian Hospitality Association for its work in preparing for the designation of Waikīkī — Kauhale O Ho'okipa as a state scenic byway;
- (2) Support the Native Hawaiian Hospitality Association's work; and
- (3) Support the designation of Waikīkī – Kauhale O Ho'okipa Scenic Byway as a National Scenic Byway.

The Department of Transportation Services of the City and County of Honolulu, Native Hawaiian Hospitality Association, Papa Ola Lokahi, and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 195 and recommends its adoption.

Signed by all members of the Committee except Representatives Yamashita and Fukumoto.

SCRep. 1699 Transportation on H.R. No. 114

The purpose of this measure as received by your Committee is to mitigate traffic congestion by requesting that the Director of Transportation

increase the minimum number of occupants required in a vehicle operating in the zipper lane.

Prior to the public hearing on this measure, your Committee circulated a Proposed Draft of this measure and notified the public that it would be accepting testimony on the Proposed Draft. The purpose of this Proposed Draft is to ensure that certain key harbor modernization projects can proceed as scheduled by requesting an exemption for certain coral species from a proposed federal rule change under the federal Endangered Species Act.

Your Committee scheduled a hearing and accepted testimony on the Proposed Draft.

An individual submitted testimony in support of this measure as it was received by your Committee. The Department of Transportation; Horizon Lines, Inc.; and Young Brothers, Limited supported the Proposed Draft of this measure.

Upon consideration, your Committee has adopted the Proposed Draft. In addition, your Committee has further amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 114, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 114, H.D. 1.

Signed by all members of the Committee except Representatives Takumi, Yamashita and Fukumoto.

SCRep. 1700 Transportation on H.C.R. No. 143

The purpose of this measure as received by your Committee is to mitigate traffic congestion by requesting that the Director of Transportation increase the minimum number of occupants required in a vehicle operating in the zipper lane.

Prior to the public hearing on this measure, your Committee circulated a Proposed Draft of this measure and notified the public that it would be accepting testimony on the Proposed Draft. The purpose of this Proposed Draft is to ensure that certain key harbor modernization projects can proceed as scheduled by requesting an exemption for certain coral species from a proposed federal rule change under the federal Endangered Species Act.

Your Committee scheduled a hearing and accepted testimony on the Proposed Draft.

The Department of Transportation; Hawaii Harbors Users Group; Matson Navigation Co., Inc.; Horizon Lines, Inc.; and Young Brothers, Limited supported the Proposed Draft of this measure.

Upon consideration, your Committee has adopted the Proposed Draft. In addition, your Committee has further amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 143, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 143, H.D. 1.

Signed by all members of the Committee except Representatives Takumi, Yamashita and Fukumoto.

SCRep. 1701 Consumer Protection & Commerce on H.C.R. No. 47

The purpose of this measure is to address the problems that are prevalent in government contracts with nonprofit organizations, particularly those involved in human services, by extending the Government Contracting Task Force to report on, and finalize recommendations for, improving the process by which nonprofit organizations deliver pivotal goods and services to individuals, families, communities, and other small businesses.

The Office of Information Management and Technology, The Chamber of Commerce of Hawaii, and Hawaii Alliance of Nonprofit Organizations supported this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 47 and recommends its adoption.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1702 Consumer Protection & Commerce on H.R. No. 60

The purpose and intent of this measure is to support the coordination of a statewide system of aging and caregiver support services in the State.

More specifically, this measure requests the Executive Office on Aging to:

- (1) Continue its research on timebanking as a sustainable and alternative currency system that will enhance and strengthen Hawaii's respite system; and
- (2) Submit a report on its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014.

Your Committee received testimony in support of this measure from the Executive Office on Aging, Community Alliance for Mental Health, and two individuals.

Your Committee finds that alternative forms of currency to support increasing community needs for respite care services can help narrow many identified service gaps. Accordingly, your Committee finds that timebanking may offer a more sustainable way to provide social services and that further research and investigation is needed to determine its viability.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 60 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1703 Consumer Protection & Commerce on H.C.R. No. 76

The purpose and intent of this measure is to support the coordination of a statewide system of aging and caregiver support services in the State.

More specifically, this measure requests the Executive Office on Aging to:

- (1) Continue its research on timebanking as a sustainable and alternative currency system that will enhance and strengthen Hawaii's respite system; and
- (2) Submit a report on its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2014.

Your Committee received testimony in support of this measure from the Executive Office on Aging, Community Alliance for Mental Health, and two individuals.

Your Committee finds that alternative forms of currency to support increasing community needs for respite care services can help narrow many identified service gaps. Accordingly, your Committee finds that timebanking may offer a more sustainable way to provide social services and that further research and investigation is needed to determine its viability.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 76 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1704 Consumer Protection & Commerce on H.C.R. No. 99

The purpose of this measure is to pursue strategies to ensure the availability of cost-effective energy sources in the State.

Specifically, this measure requests the convening of a legislative task force on energy security to consider the feasibility of preventing the closure of the Tesoro Corporation oil refinery in Kapolei.

The Hawaii State AFL-CIO, United Steelworkers Union Local 12-591, and Aluvion Energies LLC testified in support of this measure. The Department of Business, Economic Development, and Tourism submitted comments.

Your Committee finds that with the impending closure of the Tesoro Corporation refinery, Hawaii will be left with only one petroleum refinery that may not have the capacity to provide sufficient supplies of refined petroleum to meet Hawaii's needs. This measure requests the convening of a task force to identify and consider various strategies and efforts to prevent the closing of the Tesoro Refinery and ensure a reliable and competitive energy market as Hawaii continues its transition to the use of new and alternative energy sources. Your Committee believes that this measure would ensure that all alternatives relating to the closure of the refinery will be considered, with input from all stakeholders.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 99, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1705 Consumer Protection & Commerce on H.R. No. 129

The purpose of this measure is to request that the Director of Commerce and Consumer Affairs convene a working group to propose regulations and licensing requirements for health educators.

The Coalition of National Health Education Organizations and several individuals testified in support of this measure. The Department of Commerce and Consumer Affairs and National Commission for Health Education Credentialing, Inc., provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending the title to read: "REQUESTING THE STATE AUDITOR TO CONVENE A WORKING GROUP TO DETERMINE THE SCOPE AND SPECIFIC DUTIES OF THE HEALTH EDUCATOR PROFESSION";
- (2) Specifying that pursuant to section 26H-6, Hawaii Revised Statutes, any measure that if enacted, would subject unregulated professions and vocations to licensing or other regulatory controls shall be referred to the auditor for analysis;

- (3) Specifying that H.B. No. 1098, Regular Session of 2013, contains language that requires the State Auditor to conduct a sunrise analysis on the regulation of health educators;
- (4) Requesting that the State Auditor convene a working group to determine the scope and specific duties of the health educator profession;
- (5) Specifying that the State Auditor is encouraged to include representatives from the following entities as members of the working group:
 - (A) Department of Commerce and Consumer Affairs;
 - (B) Department of Health;
 - (C) University of Hawaii System;
 - (D) Hawaii Pacific University;
 - (E) Hawaii Pacific Health; and
 - (F) Any other organization the State Auditor deems appropriate to contribute to the working group, including health educators;
- (6) Specifying that certified copies of the measure be transmitted to the State Auditor, Director of Commerce and Consumer Affairs, Director of Health, Chair of the Board of Regents of the University of Hawaii, President of Hawaii Pacific University, and President and Chief Executive Officer of Hawaii Pacific Health; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 129, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 129, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1706 Consumer Protection & Commerce on H.C.R. No. 161

The purpose of this measure is to request that the Director of Commerce and Consumer Affairs convene a working group to propose regulations and licensing requirements for health educators.

The Coalition of National Health Education Organizations and several individuals testified in support of this measure. The Department of Commerce and Consumer Affairs and National Commission for Health Education Credentialing, Inc., provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending the title to read: "REQUESTING THE STATE AUDITOR TO CONVENE A WORKING GROUP TO DETERMINE THE SCOPE AND SPECIFIC DUTIES OF THE HEALTH EDUCATOR PROFESSION";
- (2) Specifying that pursuant to section 26H-6, Hawaii Revised Statutes, any measure that if enacted, would subject unregulated professions and vocations to licensing or other regulatory controls shall be referred to the auditor for analysis;
- (3) Specifying that H.B. No. 1098, Regular Session of 2013, contains language that requires the State Auditor to conduct a sunrise analysis on the regulation of health educators;
- (4) Requesting that the State Auditor convene a working group to determine the scope and specific duties of the health educator profession;
- (5) Specifying that the State Auditor is encouraged to include representatives from the following entities as members of the working group:
 - (A) Department of Commerce and Consumer Affairs;
 - (B) Department of Health;
 - (C) University of Hawaii System;
 - (D) Hawaii Pacific University;
 - (E) Hawaii Pacific Health; and
 - (F) Any other organization the State Auditor deems appropriate to contribute to the working group, including health educators;
- (6) Specifying that certified copies of the measure be transmitted to the State Auditor, Director of Commerce and Consumer Affairs, Director of Health, Chair of the Board of Regents of the University of Hawaii, President of Hawaii Pacific University, and President

and Chief Executive Officer of Hawaii Pacific Health; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 161, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 161, H.D. 1.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, McKelvey and McDermott.

SCRep. 1707 Energy & Environmental Protection/Consumer Protection & Commerce on H.R. No. 150

The purpose of this measure is to request the Governor and the Public Utilities Commission to seek island-specific alternatives to the industrial wind generation facilities and interisland high-voltage undersea electric transmission cable system now being considered.

The The Outdoor Circle, Maunaloa Hawaiian Civic Club, and several individuals provided testimony in support of this measure. Castle and Cooke Hawaii, The Pacific Resource Partnership, and a few individuals provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Public Utilities Commission, and an individual provided comments on this measure.

Your Committees have amended this measure by:

- (1) Amending its title to read, "REQUESTING THE GOVERNOR TO ENGAGE AND WORK WITH LANAI, MOLOKAI, AND THE OTHER NEIGHBOR ISLAND COMMUNITIES WHEN FORMULATING ENERGY POLICY AND IDENTIFYING ENERGY PROJECTS FOR THE STATE OF HAWAII";
- (2) Deleting the clause specifying the dangers of wind turbines;
- (3) Stating generally that wind turbines pose risks for those who live nearby, rather than only health risks;
- (4) Deleting the clause stating that seeking island-specific alternatives to the construction and development of the undersea cable system would enable the State to explore and develop less disruptive energy options;
- (5) Inserting a clause recognizing that the community on Molokai has already begun working with the State on an island-specific plan to develop local renewable energy that will be less disruptive to the environment and community;
- (6) Inserting a clause recognizing that energy projects face less community opposition, delay, and legal challenges when the community is given the opportunity to work with the State and energy partners;
- (7) Amending the measure to request the Governor to engage and work with Lanai, Molokai, and other neighbor island communities when formulating energy policy and identifying energy projects for the State instead of requesting the Governor and the Public Utilities Commission to seek alternatives to wind generation facilities and the undersea cable;
- (8) Specifying that the Mayor of Hawaii County, the Mayor of Kauai County, and the Mayor of the City and County of Honolulu shall also receive certified copies of this measure; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Consumer Protection & Commerce that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 150, as amended herein, and recommend its adoption in the form attached hereto as H.R. No. 150, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1708 Energy & Environmental Protection/Consumer Protection & Commerce on H.C.R. No. 189

The purpose of this measure is to request the Governor and the Public Utilities Commission to seek island-specific alternatives to the industrial wind generation facilities and interisland high-voltage undersea electric transmission cable system now being considered.

The Outdoor Circle, Maunaloa Hawaiian Civic Club, Conservation Council for Hawaii, Friends of Lanai, Kupaa no Lanai, I Aloha Molokai, and numerous individuals provided testimony in support of this measure. Castle and Cooke Hawaii, The Pacific Resource Partnership, and a few individuals opposed this measure. The Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Public Utilities Commission, and a few individuals provided comments on this measure.

Your Committees have amended this measure by:

- (1) Amending its title to read, "REQUESTING THE GOVERNOR TO ENGAGE AND WORK WITH LANAI, MOLOKAI, AND THE OTHER NEIGHBOR ISLAND COMMUNITIES WHEN FORMULATING ENERGY POLICY AND IDENTIFYING ENERGY PROJECTS FOR THE STATE OF HAWAII";
- (2) Deleting the clause specifying the dangers of wind turbines;

- (3) Stating generally that wind turbines pose risks for those who live nearby, rather than only health risks;
- (4) Deleting the clause stating that seeking island-specific alternatives to the construction and development of the undersea cable system would enable the State to explore and develop less disruptive energy options;
- (5) Inserting a clause recognizing that the community on Molokai has already begun working with the State on an island-specific plan to develop local renewable energy that will be less disruptive to the environment and community;
- (6) Inserting a clause recognizing that energy projects face less community opposition, delay, and legal challenges when the community is given the opportunity to work with the State and energy partners;
- (7) Amending the measure to request the Governor to engage and work with Lanai, Molokai, and other neighbor island communities when formulating energy policy and identifying energy projects for the State instead of requesting the Governor and the Public Utilities Commission to seek alternatives to wind generation facilities and the undersea cable;
- (8) Specifying that the Mayor of Hawaii County, the Mayor of Kauai County, and the Mayor of the City and County of Honolulu shall also receive certified copies of this measure; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Consumer Protection & Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 189, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 189, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1709 Consumer Protection & Commerce on H.R. No. 162

The purpose of this measure is to ensure the quality of services provided by licensed psychologists by requesting the Department of Commerce and Consumer Affairs and the Hawaii Psychological Association to develop, for submittal to the Legislature, draft legislation establishing, implementing, and monitoring continuing education requirements for all licensed psychologists in Hawaii.

The Board of Psychology, Hawaii Psychological Association, and several individuals testified in support of this measure.

Your Committee has amended this measure by specifying that the Hawaii Psychological Association is urged to complete the Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division's Continuing Professional Education Guidelines Checklist. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 162, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 162, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1710 Consumer Protection & Commerce on H.C.R. No. 201

The purpose of this measure is to ensure the quality of services provided by licensed psychologists by requesting the Department of Commerce and Consumer Affairs and the Hawaii Psychological Association to develop, for submittal to the Legislature, draft legislation establishing, implementing, and monitoring continuing education requirements for all licensed psychologists in Hawaii.

The Board of Psychology, Hawaii Psychological Association, and several individuals testified in support of this measure.

Your Committee has amended this measure by specifying that the Hawaii Psychological Association is urged to complete the Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division's Continuing Professional Education Guidelines Checklist. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 201, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 201, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1711 Consumer Protection & Commerce on H.R. No. 160

The purpose of this measure is to ensure the quality of services provided by licensed marriage and family therapists by requesting the Department of Commerce and Consumer Affairs and the American Association for Marriage and Family Therapy: Hawaii Division to develop draft legislation establishing continuing education requirements for licenses.

Numerous individuals testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by urging the American Association for Marriage and Family Therapy: Hawaii Division to complete the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division's Continuing Professional Education Guidelines Checklist.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 160, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 160, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1712 Consumer Protection & Commerce on H.C.R. No. 199

The purpose of this measure is to ensure the quality of services provided by licensed marriage and family therapists by requesting the Department of Commerce and Consumer Affairs and the American Association for Marriage and Family Therapy: Hawaii Division to develop draft legislation establishing continuing education requirements for licenses.

Numerous individuals testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by urging the American Association for Marriage and Family Therapy: Hawaii Division to complete the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division's Continuing Professional Education Guidelines Checklist.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 199, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 199, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1713 Consumer Protection & Commerce on H.R. No. 115

The purpose of this measure is to request the President of the Senate and the Speaker of the House of Representatives to establish a work group to examine social determinants of health and risk adjustment for publicly-insured and uninsured individuals.

The Department of Commerce and Consumer Affairs, Hawaii Primary Care Association, AlohaCare, Ohana Health Plan, and Community Alliance for Mental Health testified in support of this measure. The Department of Human Services provided comments

Your Committee has amended this measure by:

- (1) Including a representative from the Office of Hawaiian Affairs on the work group; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 115, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 115, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1714 Consumer Protection & Commerce on H.C.R. No. 146

The purpose of this measure is to request the President of the Senate and the Speaker of the House of Representatives to establish a work group to examine social determinants of health and risk adjustment for publicly-insured and uninsured individuals.

The Department of Commerce and Consumer Affairs, Department of Health, Office of Hawaiian Affairs, Hawaii Primary Care Association, AlohaCare, Ohana Health Plan, Community Alliance for Mental Health, and Papa Ola Lokahi testified in support of this measure. The Department of Human Services and an individual provided comments.

Your Committee has amended this measure by:

- (1) Including a representative from the Office of Hawaiian Affairs on the work group; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 146, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 146, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Ito, Yamane and McDermott.

SCRep. 1715 Economic Development & Business on S.C.R. No. 41

The purpose of this measure is to extend the Government Contracting Task Force to develop recommendations to address issues that affect procurement for goods and services purchased through nonprofit organizations, including human service nonprofit organizations that deliver pivotal goods and services to individuals, families, communities, and other small businesses.

Hawaii Alliance of Nonprofit Organizations testified in support of this measure.

Your Committee has amended this measure by:

- (1) Extending the term of the Government Contracting Task Force until December 31, 2013; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 41, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 41, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Ohno and Ward.

SCRep. 1716 Water & Land on S.C.R. No. 21

The purpose of this measure is to submit the land exchange and sale of certain parcels of ceded lands approved by the Board of Land and Natural Resources at its meeting on June 8, 2012, under agenda item D-11 to the Legislature for approval as required by section 171-64.7, Hawaii Revised Statutes.

The Department of Land and Natural Resource submitted testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Amending its title and contents to reflect the affirmative approval of the Legislature as required by section 171-64.7, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 21, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 21, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Evans, Kawakami and Lee.

SCRep. 1717 Water & Land on S.C.R. No. 172

The purpose of this measure is to encourage the County of Hawaii to continue negotiations with the private lessee of certain state land located in the County of Hawaii to achieve a result that will enable the County to proceed with its plans for expansion of the Waimea Trails and Greenways for the benefit of the public.

The Department of Land and Natural Resources submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 172, S.D. 2, and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Evans, Kawakami and Lee.

SCRep. 1718 Water & Land on S.C.R. No. 173

The purpose of this measure is to request the Department of Land and Natural Resources and the State Foundation on Culture and the Arts to assist the private nonprofit organization, Friends of Lili'uokalani Gardens, in its preparations to commemorate the centennial of Lili'uokalani Gardens and the death of Queen Lili'uokalani.

The Department of Land and Natural Resources, State Foundation on Culture and the Arts, Historic Hawai'i Foundation, and Papa Ola Lokahi submitted testimony in support of this measure. Friends of Lili'uokalani Gardens and an individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 173, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Evans, Kawakami and Lee.

SCRep. 1719 Housing on S.C.R. No. 11

The purpose of this measure is to approve the sale of the leased fee interest in 643 Papahehi Place, Honolulu, Hawaii, TMK No. 1-3-8-10-35.

Hawaii Housing Finance and Development Corporation, the Office of Hawaiian Affairs and the Department of Business Economic Development and Tourism supported this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11 and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1720 Housing on S.C.R. No. 12

The purpose of this measure is to approve the sale of leased fee interest in 95-011 Kuahelani Avenue, No. 111, Mililani, Hawaii, pursuant to section 171-64.7, Hawaii Revised Statutes.

The Department of Business Economic Development and Tourism, Hawaii Housing Finance and Development Corporation, and the Office of Hawaiian Affairs supported this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 12 and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1721 Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 83

The purpose of this measure is to recognize and support the Native Hawaiian Hospitality Association's efforts in preparing for the designation of Waikiki – Kauhale O Ho'okipa as a state and national scenic byway.

Papa Ola Lokahi and a few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 83 and recommends its adoption.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1722 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 108

The purpose of this measure is to restore access to important and fundamental federal programs for United States resident workers, taxpayers, students, and community members present under the Compacts of Free Association by urging Congress to include resident citizens of the Freely Associated States as "qualified aliens" and restore their program eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

The Hawai'i Civil Rights Commission, Office of Hawaiian Affairs, HealthyPacific.org, Hawaii Disability Rights Center, SHIP-HOOPS(FSM nonprofit), Hawai'i Appleseed Center for Law and Economic Justice, Papa Ola Lokahi, and numerous concerned individuals testified in support of this measure. Healthy Pacific Organization provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 108 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 1723 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 141

The purpose of this measure is to promote, perpetuate, preserve, and encourage culture and the arts, history, and the humanities by requesting the State Foundation on Culture and the Arts to display all works of art in its collection and to make publicly available on the Internet photographs of and information about every work of art in the Foundation's collection.

Two concerned individuals supported this measure. The State Foundation on Culture and the Arts supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 141 and recommends its adoption.

Signed by all members of the Committee except Representatives Choy and McDermott.

SCRep. 1724 Housing on S.C.R. No. 60

The purpose of this measure is to urge the Hawaii Public Housing Authority to initiate the sponsorship process for the United States Department of Housing and Urban Development "Step-Up" program to provide new employment and training programs for public housing residents and other low-income people.

Your Committee received testimony in support of this measure from one individual and the Hawaii Public Housing Authority.

Your Committee finds that "Step-Up" is a national program developed by the United States Department of Housing and Urban Development in cooperation with the United States Department of Labor and National Association of Housing and Redevelopment Offices to provide jobs and job training opportunities on Department of Housing and Urban Development assisted construction to residents of public housing and other low-income people. Public housing authorities are authorized to sponsor "Step Up" programs, which entails organizing and administering all components of the program, and are encouraged to work with local training providers, such as non-profits, who know and administer workforce development and job training programs.

Your Committee further finds that "Step-Up" participants can earn wages that are excluded from income for rent determination purposes. This measure will enable the Hawaii Public Housing Authority, through the "Step-Up" program, to provide real economic opportunities and upward wage earning potential, thus enabling participants to graduate from public housing to other permanent, unsubsidized housing options, which in turn frees up units for those on waiting lists.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 60, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1725 Housing on S.C.R. No. 137

The purpose of this measure and intent of this measure is to develop housing solutions for homeless Native Hawaiian families.

More specifically, this measure requests the:

- (1) Coordinator on Homelessness to assemble a working group to develop housing solutions, investigate suitable and available federal, state, county, and private lands for innovative housing projects, and prepare a plan to develop a demonstration housing project for homeless Native Hawaiian families; and
- (2) Working group to report its findings and recommendations To the Legislature no later than twenty days prior to the convening of the Regular Session of 2014.

Your Committee received written comments on this measure from the Department of Hawaiian Home Lands and testimony of support from several individuals and organizations.

Your Committee finds that a disproportionate percentage of homeless in the State are Native Hawaiian individuals and families. Innovative housing solutions are necessary to provide these families with stable housing and access to support services to resolve underlying socioeconomic issues.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137, S.D. 1, and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1726 Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 147

The purpose of this measure is to request the Board of Education to establish a coalition to address the issue of developing Hawaiian language assessments for Hawaiian language immersion students and to submit a report to the Legislature. This measure also expresses the Legislature's support for the development of a request for a federal waiver from certain requirements of the No Child Left Behind Act of 2001 to allow for the most appropriate assessments and standards for the Hawaiian language immersion program, and urges the U.S. Department of Education to approve such request.

The Office of Hawaiian Affairs, Kamehameha Schools, and Association of Hawaiian Civic Clubs provided testimony in support of this measure. The Department of Education provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 147, S.D. 2, and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1727 Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 99

The purpose of this measure is to support local fishing traditions and seafood production in Hawaii by:

- (1) Recognizing the week of October 6 through 13, 2013, as "Hawaii Fishing and Seafood Week"; and
- (2) Encouraging the people of Hawaii to recognize and support fishing traditions and seafood production in Hawaii during Hawaii Fishing and Seafood Week.

The Department of Land and Natural Resources, Pacific Islands Fisheries Group, Waialua Boat Club, Hawaii Nearshore Fishermen, Fishing Tales with Mike Sakamoto, and several individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 99 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1728 Water & Land on S.C.R. No. 20

The purpose of this measure is to submit the land exchange involving state lands between the State and Hawaii Baptist Academy to the Legislature for review as required by section 171-50, Hawaii Revised Statutes.

The Department of Land and Natural Resources and Hawaii Baptist Academy submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 20 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen, Evans, Kawakami and Lee.

SCRep. 1729 Water & Land on S.C.R. No. 164

The purpose of this measure is to request the Governor to establish a working group to develop a conservation action plan to explore and identify conservation alternatives for undeveloped portions of the Turtle Bay Hotel and Resort property and surrounding lands with conservation or historic value and foster community engagement by gathering community input.

Keep the North Shore Country, The Trust for Public Land, North Shore Community Land Trust, Conservation Council for Hawai'i, and an individual submitted testimony in support of this measure. Turtle Bay Resort, LLC submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 164 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen, Evans, Kawakami and Lee.

SCRep. 1730 Agriculture/Energy & Environmental Protection on S.C.R. No. 74

The purpose of this measure is to address the rapid spread of Albizia trees in the State. Specifically, this measure:

- (1) Urges the Invasive Species Council to:
 - (A) Develop and implement a comprehensive interagency plan for the control and eradication of Albizia throughout the State, beginning with the Island of Hawaii; and
 - (B) Find partners to utilize the Albizia trees that are removed; and
- (2) Urges the Department of Agriculture to investigate biocontrol agents for the control of Albizia.

The Department of Agriculture, an individual council member of the Hawaii County Council, Malama O Puna, Mainstreet Pahoehoe, East Hawaii Community Development Corporation, Big Island Invasive Species Committee, and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources and Hawaii Electric Light Company provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Agriculture and Energy & Environmental Protection that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 74, S.D. 1, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola, Cullen, Evans, Kawakami, Ohno, Cheape and Ward.

SCRep. 1731 Health on S.C.R. No. 66

The purpose of this measure is to support a stable Advanced Practice Registered Nurse workforce by requesting the Hawaii State Center for Nursing to convene a working group comprising various state agencies to:

- (1) Identify barriers relating to the practice of Advanced Practice Registered Nurses with respect to the education and training of nurses under Hawaii statutes and administrative rules; and
- (2) Transmit a draft report of the working group's findings and recommendations, including any proposed legislation, to the Legislative Reference Bureau no later than November 1, 2013.

This measure also requests the Legislative Reference Bureau to submit a final report of the agencies' findings and recommendations, including any proposed legislation, to the Governor and the Legislature prior to the convening of the 2014 Regular Session.

The Hawaii Association of Professional Nurses, Board of Nursing, and several individuals supported this measure. The Hawaii State Center for Nursing supported this measure with amendments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 66, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1732 Health on S.C.R. No. 87

The purpose of this measure is to urge the Department of Commerce and Consumer Affairs and the Hawaii Psychological Association to continue collaborating on the issue of developing, implementing, and monitoring continuing education requirements for all licensed psychologists in the State, and to submit draft legislation to the Legislature prior to the 2014 Regular Session on the development, implementation, and monitoring of these continuing education requirements.

The Board of Psychology, Hawaii Psychological Association, I Ola Lahui, and several individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 87, S.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1733 Health on S.C.R. No. 155

The purpose of this measure is to improve the overall care of stroke patients, increase patients' chances of survival, and decrease the incidence of long-term disabilities associated with stroke by convening a task force to establish a stroke system of care in the State that includes a statewide stroke database and registry.

The Department of Health, Hawaii Pacific Health, American Heart Association/American Stroke Association, and The Queen's Health Systems supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 155, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1734 Health on S.C.R. No. 125

The purpose of this measure is to urge the Department of Commerce and Consumer Affairs and the American Association for Marriage and Family Therapy, Hawaii Division, to continue collaborating on the issue of developing, implementing, and monitoring continuing education requirements for all licensed marriage and family therapists in Hawaii, and to submit proposed legislation to the Legislature prior to the 2014 Regular Session that establishes, implements, and monitors these continuing education requirements.

The Marriage and Family Therapists Program of the Department of Commerce and Consumer Affairs' Professional and Vocational Licensing Division and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 125, S.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1735 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 22

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 4-7-024: seaward of 022, Kaalaea, Koolaupoko, Oahu, for the maintenance and repair of the existing seawall, and for use, maintenance, and repair of the existing improvements constructed thereon.

The Department of Land and Natural Resources provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 22 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1736 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 23

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 4-4-037: seaward of 033, Kaneohe, Koolaupoko, Oahu.

The Department of Land and Natural Resources provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 23, S.D. 1, and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1737 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 105

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a 55 year non-exclusive easement covering a portion of state submerged lands located in Makaha, Waianae, Oahu, for purposes of renovation and construction of a seawall.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 105 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1738 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 126

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a term, nonexclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (1) 4-7-014: seaward of 010, Kaalaea, Koolaupoko, Oahu, pursuant to section 171-53, Hawaii Revised Statutes.

The Department of Land and Natural Resources provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 126 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1739 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 69

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a fifty-five year non-exclusive easement covering a portion of state submerged lands at Puamana, Lahaina, Maui, for various seawall structures, a concrete groin, and revetment footings of a historic swimming pool.

The Department of Land and Natural Resources and Puamana Community Association testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 69 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1740 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 101

The purpose of this measure is to authorize the issuance of a 55-year nonexclusive easement covering a portion of state submerged lands located at Mokuleia for seawall and step purposes, pursuant to section 171-53, Hawaii Revised Statutes.

No testimony was received on this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 101 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1741 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 103

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a 55-year non-exclusive easement covering a portion of state submerged lands at Kawaihoa, Waialua, Hawaii.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 103 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1742 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 106

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a 55-year non-exclusive easement covering a portion of state submerged lands at Honolulu, Hawaii.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 106 and recommend that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1743 Consumer Protection & Commerce on S.C.R. No. 100

The purpose of this measure is to urge the Governor, in making nominations and appointments to boards and commissions, to strive to achieve and maintain gender equity in the composition of state boards and commissions.

The Hawaii Civil Rights Commission testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 100 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Lee and McDermott.

SCRep. 1744 Energy & Environmental Protection on S.C.R. No. 37

The purpose of this measure is to request the Public Utilities Commission to consider:

- (1) Whether stranded costs are a significant factor in the electric utilities' failure to retire their old, oil-fired generation plants; and
- (2) Any appropriate measures that would encourage the electric utilities to retire old, oil-fired generation plants and the potential impact this would have on ratepayers.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs provided testimony in support of this measure. The Public Utilities Commission provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 37, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen and Kawakami.

SCRep. 1745 Energy & Environmental Protection on S.C.R. No. 28

The purpose of this measure is to request the Public Utilities Commission to report to the Legislature on the progress in implementing the recommendations of the Reliability Standards Working Group.

The Public Utilities Commission provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 28, S.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cullen and Kawakami.
(Representatives Coffman and Fale voted no.)

SCRep. 1746 Health on S.C.R. No. 62

The purpose of this measure is to urge Hawaii's Congressional Delegation to support continued funding for the Congressionally Directed Medical Research Program for Neurofibromatosis.

Papa Ola Lokahi and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 62, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1747 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 158

The purpose of this measure is to authorize, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources to issue a 35 year non-exclusive easement covering a portion of state submerged lands at Manele Bay, Lanai, Hawaii.

The Department of Land and Natural Resources and Coon Brothers, Inc. testified in support of this measure. Navatek Ltd.; Seabird Cruises, Inc.; Pacific Shipyards International; Unitek Contracting Group, LLC; Sea Link of Hawaii; Paragon Sailing Charters Maui & Lanai; Big Blue Boat Corporation; Hood Marine, LTD; and numerous individuals testified in opposition of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 158, S.D. 2, and recommend its adoption.

Signed by all members of the Committee except Representatives Kawakami and Lee.

SCRep. 1748 Consumer Protection & Commerce on S.C.R. No. 129

The purpose of this measure is to request the Insurance Commissioner to form a working group to study insurance recoupment.

An individual testified in support of this measure. The Department of Commerce and Consumer Affairs, Healthcare Association of Hawaii, and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Lee and McDermott.

SCRep. 1749 Consumer Protection & Commerce on S.C.R. No. 159

The purpose of this measure is to request the Insurance Commissioner to convene a working group to explore the use of electronic transmission of insurance notices and documents.

The Property Casualty Insurers Association of America and State Farm Mutual Automobile Insurance Company testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee notes that the measure does not eliminate the ability to use non-electronic transmission of insurance notices and documents.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 159, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Lee and McDermott.

SCRep. 1750 Consumer Protection & Commerce on S.C.R. No. 84

The purpose of this measure is to ensure that all criteria, requirements, and procedures for the three licensing classifications established under Chapter 444, Hawaii Revised Statutes, are up to date by requesting the Contractors License Board to conduct an assessment and prepare a report that evaluates each licensing classification and issues related to the licensing requirements.

The Painting and Decorating Contractors Association of Hawaii, Hawaii Building and Construction Trades Council, Plumbers and Fitters Union Local 675, Pacific Resource Partnership, Pacific Insulation Contractors Association, Tile Contractors Association of Hawaii, Roofing Contractors Association of Hawaii, Hawaii Flooring Association, and Plumbing and Mechanical Contractors Association of Hawaii testified in support of this measure. The Legislative Reference Bureau, Contractors License Board, and General Contractors Association of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 84, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Lee and McDermott.

SCRep. 1751 Health on H.R. No. 70

The purpose of this measure is to expand the State's tourism market and attract travelers with disabilities to Hawaii by:

- (1) Requesting the Hawaii Tourism Authority, with cooperation from the Department of Health and the Hawaii Visitors and Convention Bureau, to improve marketing and visitor information for travelers with disabilities, including developing a comprehensive information page on the Department of Health's and Hawaii Tourism Authority's websites;
- (2) Requesting the Hawaii Tourism Authority to submit to the Legislature prior to the Regular Session of 2014, a list of strategies that will attract more travelers with disabilities to Hawaii; and
- (3) Designating the month of October as "Travelers with Disabilities Month".

The Disability and Communication Access Board, Hawaii Advocates for Consumer Rights, The Voice of the Lord Ministry, Nashimoto and Associates LLC, AccesSurf, and several concerned individuals supported this measure. The Chamber of Commerce For Persons with Disabilities – Hawaii supported this measure with amendments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 70, H.D. 2.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 1752 Consumer Protection & Commerce on H.R. No. 112

The purpose of this measure is to stimulate new business and development opportunities in Hawaii by establishing a 24-hour Marketplace Task Force within the Department of Business, Economic Development, and Tourism to recommend potential viable locations and implementation strategies for proposed 24-hour marketplaces across the state.

The Department of Business, Economic Development, and Tourism provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 112 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti, Cabanilla, Carroll, Har, Kawakami, Lee and McDermott.

SCRep. 1753 Education on S.C.R. No. 97

The purpose and intent of this measure is to improve the efficiency and effectiveness of school food services by requiring the Department of Education to undertake a system-wide review of the operational and fiscal practices of the Department's School Food Services Branch.

Your Committee received testimony in support of this measure from the Department of Education and a concerned individual.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 97 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Choy, Takai and Cheape.

SCRep. 1754 Education on S.C.R. No. 96

The purpose and intent of this measure is to commend the Jump Start Task Force on the creation of the Jump Start program and encourage additional expansion on the islands of Maui and Hawaii along with interested high schools and community colleges by requesting the Department of Education and the University of Hawaii Community Colleges to continue their support to help grow this program.

Your Committee received testimony in support of this measure from the Department of Education, Honolulu Community College from the University of Hawaii System, and two concerned individuals.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 96 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Choy, Takai and Cheape.

SCRep. 1755 Education on S.C.R. No. 76

The purpose and intent of this measure is to explore policies and procedures that would allow home school students to participate in public school extracurricular activities and sports by requesting the Board of Education to research models and best practices implemented in other states.

Your Committee received testimony in support of this measure from the Department of Education and a concerned individual.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Choy and Takai.

SCRep. 1756 Education on S.C.R. No. 191

The purpose and intent of this measure is to support a strong public library system by requesting the Board of Education, in consultation with the State Librarian, to explore the feasibility of activating a statewide library advisory commission to advise the Board of Education on all matters relating to public library services.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System and several concerned individuals.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 191 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy and Takai.

SCRep. 1757 Education on S.C.R. No. 190

The purpose and intent of this measure is to support the State's effort to renovate and build twenty-first century schools by requesting the Board of Education to review policy relating to acreage guidelines. This measure also requires the Board of Education to report its recommendations including any proposed changes to the existing policy to the Legislature.

Your Committee received testimony in support of this measure from The Pacific Resource Partnership, and two concerned individuals. The Department of Education supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 190 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Choy and Takai.

SCRep. 1758 Energy & Environmental Protection on S.C.R. No. 123

The purpose of this measure is to express the Legislature's concern about the use of hydraulic fracturing in Hawaii.

Puna Pono Alliance, Malu 'Aina, and several individuals provided testimony in support of this measure. The Office of Hawaiian Affairs, Department of Land and Natural Resources, and Public Utilities Commission provided comments on this measure.

Your Committee notes that there are terms synonymous with hydraulic fracturing, which change frequently in the common usage. Your Committee further notes that, for purposes of this measure, hydraulic fracturing includes its use as pertaining to geothermal drilling, among other things.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 123, S.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cullen and Kawakami.
(Representative Fale voted no.)

SCRep. 1759 Higher Education on S.C.R. No. 198

The purpose of this measure is to increase access to educational and training opportunities in rural areas of the State by requesting the University of Hawaii at Hilo to establish a higher education learning center in Puna on Hawaii Island and in support of this learning center, to establish an outreach program under the College of Agriculture, Forestry, and Natural Resource Management and conduct a needs assessment of existing educational resources and facilities.

Hawaiian Shores Community Association and several concerned individuals supported this measure. The University of Hawaii at Hilo provided comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 198 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Nakashima and Takai.

SCRep. 1760 Education/Higher Education on S.C.R. No. 120

The purpose and intent of this measure is to promote greater awareness of dyslexia and provide support for students with dyslexia and other literacy challenges by requesting the Board of Education and Department of Education to evaluate efforts to address dyslexia and literacy challenges statewide.

Your Committee received testimony in support of this measure from the County of Maui Police Department, the Hawaii Branch of the International Dyslexia Association, the Hawaii Association of Independent Schools, the Hawaii Learning Resource, Assets School, the Special Education Advisory Council, and numerous individuals. The Department of Education supported the intent of this measure.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 120, S.D. 2, and recommend its adoption.

Signed by all members of the Committee except Representatives Aquino, Nakashima, Takai and Cheape.

SCRep. 1761 Education on S.C.R. No. 132

The purpose and intent of this measure is to help disadvantaged youth from the Keaukaha/Panaewa Hawaiian Homes Communities in the Hilo district succeed academically by requesting the University of Hawaii at Hilo to establish a formal association with the RISE 21st Century After School Program along with joint coordination in an effort to provide early preparation for college readiness.

Your Committee received testimony in support of this measure from Revealing Individual Strengths for Excellence (R.I.S.E.), the Keaukaha Canoe Club, the Keaukaha Community Association, and several concerned individuals.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 132, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Choy and Takai.

SCRep. 1762 Higher Education on S.C.R. No. 119

The purpose of this measure is to protect students in the State by requesting the Auditor to conduct a sunrise review of the regulation of unaccredited degree granting institutions, including an assessment of current and alternative forms of regulation.

The Office of Consumer Protection and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 119, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Nakashima and Takai.

SCRep. 1763 Judiciary on S.C.R. No. 135

The purpose of this measure is to urge that the United States Congress grant full voting rights to the residents of the District of Columbia.

One concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 135 and recommends its adoption.

Signed by all members of the Committee except Representatives Cabanilla, Carroll, Har, Ito, Tsuji and McDermott.

SCRep. 1764 Judiciary on S.C.R. No. 166

The purpose of this measure is to study the social, economic, and religious impacts of enacting marriage equality in the State of Hawaii by requesting that the Dean of the William S. Richardson School of Law at the University of Hawaii at Manoa convene a task force on the matter.

The American Civil Liberties Union of Hawaii, Citizens for Equal Rights, and Equality Hawaii supported this measure. Parents, Families and Friends of Lesbians, Gays, Bisexuals, Transgendered, Intersex and Questioning-Oahu; Hawaii Catholic Conference; Hawaii Family Forum; Hawaii Family Advocates; and two concerned individuals opposed this measure. The Hawaii Civil Rights Commission offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 166 and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll, Har, Ito, Tsuji and McDermott.

SCRep. 1765 Judiciary on S.C.R. No. 149

The purpose of this measure is to urge Hawaii residents and businesses to comply with the Convention on International Trade in Endangered Species of Wild Fauna and Flora by having them not buy or sell ivory of unknown origin that may have been illegally smuggled into the State.

The Department of Land and Natural Resources, Humane Society of the United States, and one concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 149, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll, Har, Ito, Tsuji and McDermott.

SCRep. 1766 Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 137

The purpose of this measure is to develop housing solutions for homeless Native Hawaiian families. Specifically, this measure requests the:

- (1) Coordinator on Homelessness to assemble a working group to develop housing solutions, investigate suitable and available federal, state, county, and private lands for innovative housing projects, and prepare a plan to develop a demonstration housing project for homeless Native Hawaiian families; and

- (2) Working group to report its findings and recommendations to the Legislature no later than 20 days prior to the convening of the Regular Session of 2014.

The Association of Hawaiian Civic Clubs provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies provided testimony in opposition to this measure. The Department of Hawaiian Home Lands and Office of Hawaiian Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Lee and Fale.

SCRep. 1767 Finance on S.C.R. No. 20

The purpose of this measure is to provide legislative review of a land exchange between the State of Hawaii and Hawaii Baptist Academy Pursuant to Section 171-50(c), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 20 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1768 Finance on S.C.R. No. 22

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Kaalaea, Koolaupoko, Oahu, for the maintenance and repair of the existing seawall, and for use, maintenance, and repair of the existing improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 22 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1769 Finance on S.C.R. No. 23

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Kaneohe, Koolaupoko, Oahu, for the maintenance and repair of the existing pier, seawall, and landscaping area, and for use, maintenance, and repair of the existing improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 23, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1770 Finance on S.C.R. No. 69

The purpose of this measure is to authorize the issuance of a fifty-five year term, non-exclusive easement covering a portion of state submerged lands at Puamana, Lahaina, Maui, for various seawall structures, a concrete groin, and revetment footings of a historic swimming pool.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 69 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1771 Finance on S.C.R. No. 101

The purpose of this measure is to authorize the issuance of a non-exclusive easement covering a portion of state submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 101 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1772 Finance on S.C.R. No. 103

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering a portion of state submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 103 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1773 Finance on S.C.R. No. 105

The purpose of this measure is to authorize the issuance of a non-exclusive easement covering a portion of state submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 105 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1774 Finance on S.C.R. No. 106

The purpose of this measure is to authorize the issuance of a non-exclusive easement covering a portion of state submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 106 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1775 Finance on S.C.R. No. 126

The purpose of this measure is to authorize the issuance of a non-exclusive easement covering a portion of state submerged lands pursuant to section 171-53, Hawaii Revised Statutes, relating to the reclamation and disposition of submerged or reclaimed public land.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 126 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1776 Finance on S.C.R. No. 164

The purpose of this measure is to request the Governor to establish a working group to develop a conservation action plan to explore and identify conservation alternatives for the undeveloped portions of the Turtle Bay Hotel and Resort property and surrounding lands with conservation or historic value.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 164 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1777 Finance on S.C.R. No. 137

The purpose of this measure is to request the Coordinator on Homelessness to assemble a working group to identify innovative housing solutions for homeless Native Hawaiian families, to investigate suitable and available federal, state, county, and private land for innovative housing projects, and to prepare a plan to develop a demonstration housing project for homeless Native Hawaiian families that can serve as a model statewide.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1778 Finance on S.C.R. No. 155

The purpose of this measure is to urge the convening of a task force to establish a stroke system of care in the State.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 155, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1779 Finance on S.C.R. No. 76

The purpose of this measure is to request the Board of Education to research state models and best practices on home schooled student participation in public school extracurricular activities and sports and explore implementation of such a program in Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1780 Finance on S.C.R. No. 96

The purpose of this measure is to commend the Jump Start Task Force on the creation of the Jump Start program, encouraging expansion of the program to schools on the islands of Maui and Hawaii, and requesting the Department of Education and the University of Hawaii Community Colleges to continue their support of the program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 96 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1781 Finance on S.C.R. No. 97

The purpose of this measure is to request the Department of Education to undertake a systemwide review of its oversight, monitoring, and accountability of the operational and fiscal practices of the department's school food services branch.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 97 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1782 Finance on S.C.R. No. 190

The purpose of this measure is to request the Hawaii Board of Education to review Policy No. 6701 in light of the State's effort to renovate and build twenty-first century schools and to report its recommendations to the Legislature.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 190 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1783 Finance on S.C.R. No. 92

The purpose of this measure is to request the Comptroller to establish a task force to study the state procurement code and identify amendments that would increase economy, efficiency, effectiveness, and impartiality in the procurement of public works construction projects.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, Office of Hawaiian Affairs, the General Contractors Association of Hawaii, and the Global Information Network.

Your Committee received written comments supporting the intent of this measure from the Department of Education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 92, S.D. 2, and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson, Yamashita and Ward.

SCRep. 1784 Finance on S.C.R. No. 169

The purpose of this measure is to strongly urge Hawaii's Congressional Delegation to seek and obtain additional federal aid to the State of Hawai'i for the provision of educational services to migrants from the Compact of Free Association Nations.

Your Committee received written comments in support of this measure from the Global Information Network.

Your Committee received written comments on this measure from the Department of Education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 169 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1785 Finance on S.C.R. No. 195

The purpose of this measure is to recognize commercial space transportation as a strategic and timely growth industry for Hawaii and requesting the state administration to take proactive, coordinated, and sustained action to fully realize the significant scientific, educational, and commercial benefits that space launch operations and related aerospace enterprise can bring to Hawaii.

Your Committee received testimony in support of this measure from the Hawaii Aerospace Advisory Committee, the International Venture Associates, the Global Information Network, and three individuals.

Your Committee received comments from the Department of Business, Economic Development and one individual.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 195 and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.

SCRep. 1786 Finance on S.C.R. No. 37

The purpose of this measure is to request the Public Utilities Commission to consider whether stranded costs are a significant factor in the electric utilities' failure to retire old, oil-fired generation plants and any appropriate measures that would encourage electric utilities to retire old, oil-fired generation plants and the potential impact this would have on ratepayers.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 37, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ing, Jordan, Tokioka, Woodson and Yamashita.