

TWENTY-FIFTH DAY

Tuesday, March 10, 2015

The House of Representatives of the Twenty-Eighth Legislature of the State of Hawaii, Regular Session of 2015, convened at 9:06 o'clock a.m., with Vice Speaker Mizuno presiding.

The invocation was delivered by Representative Nicole E. Lowen, after which the Roll was called showing all Members present with the exception of Representatives Hashem, Jordan, McDermott and Ward, who were excused.

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

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 28 through 46) were received and announced by the Clerk:

Sen. Com. No. 28, transmitting S.B. No. 140, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT RECORDS," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 29, transmitting S.B. No. 225, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 30, transmitting S.B. No. 332, entitled: "A BILL FOR AN ACT RELATING TO MOHANDAS KARAMCHAND GANDHI DAY," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 31, transmitting S.B. No. 415, entitled: "A BILL FOR AN ACT RELATING TO BICYCLE SIGNALS," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 32, transmitting S.B. No. 533, SD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MANAGEMENT," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 33, transmitting S.B. No. 779, entitled: "A BILL FOR AN ACT RELATING TO COURTS," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 34, transmitting S.B. No. 805, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 35, transmitting S.B. No. 1009, SD 1, entitled: "A BILL FOR AN ACT RELATING TO SERVICE CHARGES," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 36, transmitting S.B. No. 1097, entitled: "A BILL FOR AN ACT RELATING TO THE CONSUMER ADVOCATE," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 37, transmitting S.B. No. 1115, SD 1, entitled: "A BILL FOR AN ACT RELATING TO BUILDING DESIGN FOR PERSONS WITH DISABILITIES," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 38, transmitting S.B. No. 1124, entitled: "A BILL FOR AN ACT RELATING TO USE PERMITS FOR SMALL BOAT HARBORS," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 39, transmitting S.B. No. 1134, entitled: "A BILL FOR AN ACT RELATING TO THE ESTATE AND GENERATION-SKIPPING TRANSFER TAXES," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 40, transmitting S.B. No. 1136, entitled: "A BILL FOR AN ACT RELATING TO SECTION 235-55.91, HAWAII REVISED STATUTES," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 41, transmitting S.B. No. 1154, entitled: "A BILL FOR AN ACT RELATING TO THE LIQUOR COMMISSION," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 42, transmitting S.B. No. 1177, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 43, transmitting S.B. No. 1262, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 44, transmitting S.B. No. 1265, entitled: "A BILL FOR AN ACT RELATING TO THE INSURANCE HOLDING COMPANY SYSTEM," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 45, transmitting S.B. No. 1341, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE AFFORDABLE CARE ACT INNOVATION WAIVER," which passed Third Reading in the Senate on March 6, 2015.

Sen. Com. No. 46, transmitting S.B. No. 1363, entitled: "A BILL FOR AN ACT RELATING TO THE STATE INSTRUMENT," which passed Third Reading in the Senate on March 6, 2015.

On motion by Representative Evans, seconded by Representative Tupola and carried, the following Senate Bills passed First Reading by title and further action was deferred: (Representatives Hashem, Jordan, McDermott and Ward were excused.)

S.B. No. 140
S.B. No. 225, SD 1
S.B. No. 332
S.B. No. 415
S.B. No. 533, SD 1
S.B. No. 779
S.B. No. 805
S.B. No. 1009, SD 1
S.B. No. 1097
S.B. No. 1115, SD 1
S.B. No. 1124
S.B. No. 1134
S.B. No. 1136
S.B. No. 1154
S.B. No. 1177, SD 1
S.B. No. 1262, SD 1
S.B. No. 1265
S.B. No. 1341, SD 1
S.B. No. 1363

INTRODUCTIONS

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

Representative Luke introduced students from Pacific Buddhist Academy: Kano Hashimoto, Allison Kuwana, Raine Reavis, Megan Sakata, Yoshua Schwartz, Lauren Tsai, Talissa Wright, Koki Atcheson, Todd Colby, Jr., Candis Imanaka, Jadine Wong, Lisa Roerk and Brandon Woods; their teacher, Mr. Steven James, and his fiancée, Ms. Angel He; and Ms. Inga Gibson, Hawaii State Director, Humane Society of the United States.

Representative Keohokalole introduced his former boss, Mr. Elmer Kaai, Interim Director of Advancement & Government Affairs, University of Hawaii at Manoa; and Mr. Gino Soquena, Government and Community Relations Director, Hawaii Laborers Union Local 368, and American Diabetes Association Hawaii Community Leadership Board Member.

Representative Rhoads introduced Reverend Stanley Bain.

Representative Hashem introduced 5th grade students of Wilson Elementary School: Edwin Aarii, Andy Au, Branson Dang, Christine Dong, Carli Driskill, Saya Fukuda, Mana Iketani, Nicole Kail, Cameron Kam, Wakea Kanahale, Jordan Lampitelli, Joshua Leong, Cody Lieu, Hannah Miyasaki, Ryota Murate, Kysen Nagano, Ocean Nakamitsu, Kade Okura, Sophia Perez, Blaise Rousseau, Jasmine Stark, Natalia Taylor, Annie Ueda, Melody Wakashige, Dylan Weddle, Emily Won and Tate Wong; and teachers, Ms. Terry Drown and Ms. Wendy Machida.

Representative Lee introduced Mr. Henry Curtis, Executive Director, Life of the Land; and Ms. Kat Brady, Coordinator, Community Alliance on Prisons.

ORDER OF THE DAY

SUSPENSION OF RULES

On motion by Representative Evans, seconded by Representative Tupola and carried, the rules were suspended for the purpose of considering certain House Bills for Third Reading by consent calendar. (Representatives Jordan and McDermott were excused.)

CONSENT CALENDAR

UNFINISHED BUSINESS

At this time, the Chair stated:

"Members, there will be no discussion on these items which have been agreed upon by this Body for placement on the Consent Calendar."

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 746) recommending that H.B. No. 436, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 436, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY VEHICLES," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 748) recommending that H.B. No. 354, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 354, HD 2, entitled: "A BILL FOR AN ACT RELATING TO NURSES," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 757) recommending that H.B. No. 293, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 759) recommending that H.B. No. 848 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 848, entitled: "A BILL FOR AN ACT RELATING TO POST-SECONDARY EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 766) recommending that H.B. No. 813, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 813, HD 3, entitled: "A BILL FOR AN ACT RELATING TO THE CODE OF ETHICS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 769) recommending that H.B. No. 493, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 493, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 772) recommending that H.B. No. 457, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 457, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 778) recommending that H.B. No. 264, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 264, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 780) recommending that H.B. No. 1345, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1345, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 786) recommending that H.B. No. 867, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 867, HD 1 pass Third Reading, seconded by Representative Evans.

Representative McKelvey's written comments in support of the measure are as follows:

"Basalt rebar weighs 25% less and is 200% stronger than steel rebar. A basalt rebar plant will improve local sustainability by reducing the import

of steel rebar and by providing a local basalt rebar source. This bill stimulates economic growth for the State, promoting the establishment and growth of new sustainable and green industries, associated jobs, workforce development, internships, and science, technology, engineering and mathematics education programs. Economically, this will create 80,000 new technology jobs with salaries of \$80,000 or above by 2030."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 867, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS' BASALT REBAR INITIATIVE," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 787) recommending that H.B. No. 1482, HD 2 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1482, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CROWDFUNDING," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 788) recommending that H.B. No. 1282, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1282, HD 1 pass Third Reading, seconded by Representative Evans.

Representative McKelvey's written remarks in support of the measure are as follows:

"NASA has begun planning for a global network of laser communication ground systems. The increasing data requirements of more sophisticated instruments on spacecraft will soon surpass NASA's ability to support its spacecraft with radio communications. According to a detailed statistical analysis, Hawai'i would be the best location for their first operational communications station. This laser communication network would offer the fastest and highest capacity broadband services in the world, which would have the potential to lower consumer costs and improve coverage.

"High-speed internet is no longer a luxury item, it is a public utility as essential to the community as electricity. The laser ground station will provide multiple opportunities for high-technology jobs in the State, as well as substantial improvements in broadband and optical fiber infrastructure. A space-borne link would also ensure the State with a backup link, providing Hawai'i protection if a natural disaster occurs that disrupts the fiber trunk line at the bottom of the ocean. Furthermore, the security dimension of laser communication is paramount for the United States Military. Laser transmission is more secure than radio communication, and it would be very difficult for an enemy combatant to locate the beam and place a receiver in its path."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1282, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BROADBAND COMMUNICATIONS TECHNOLOGY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 790) recommending that H.B. No. 1292, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1292, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 797) recommending that H.B. No. 95, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 95, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DUAL CREDIT PROGRAMS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 802) recommending that H.B. No. 906, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 906, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX EXEMPTIONS FOR CERTIFIED OR APPROVED HOUSING PROJECTS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 803) recommending that H.B. No. 827, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 827, HD 3, entitled: "A BILL FOR AN ACT RELATING TO A MIXED-USE RESIDENTIAL PROJECT," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 805) recommending that H.B. No. 492 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 492, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 808) recommending that H.B. No. 1404, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1404, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HAWAII COUNTY OFFICE OF THE PROSECUTING ATTORNEY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 814) recommending that H.B. No. 210, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 210, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS TO THE DEPARTMENT OF THE PROSECUTING ATTORNEY OF THE CITY AND COUNTY OF HONOLULU," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 818) recommending that H.B. No. 414, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 414, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS TO THE COUNTY OF KAUAI OFFICE OF THE PROSECUTING

ATTORNEY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 819) recommending that H.B. No. 452, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 452, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATEWIDE SEXUAL ASSAULT SERVICES," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 823) recommending that H.B. No. 1489, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1489, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL LICENSE PLATES FOR NATIONAL PARKS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 825) recommending that H.B. No. 1256, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1256, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FOUNDATION ON CULTURE AND THE ARTS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 830) recommending that H.B. No. 1422, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1422, HD 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICE CONTRACTS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 835) recommending that H.B. No. 746, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 746, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CYBERSECURITY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 837) recommending that H.B. No. 391, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 391, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS ON PUBLIC WORKS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 840) recommending that H.B. No. 1186, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1186, HD 2, entitled: "A BILL FOR AN ACT RELATING TO GENERAL

OBLIGATION BONDS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 841) recommending that H.B. No. 1268, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1268, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 842) recommending that H.B. No. 1349, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1349, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHER TENURE," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 843) recommending that H.B. No. 268, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 268, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DENTISTRY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 844) recommending that H.B. No. 613, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 613, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STUDENT DATA MANAGEMENT," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 845) recommending that H.B. No. 155, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 155, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAILUKU STATE OFFICE MASTER PLAN," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 846) recommending that H.B. No. 440, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 440, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LAND AND NATURAL RESOURCES," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 848) recommending that H.B. No. 443, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 443, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO UPDATE AGRICULTURAL SOIL CLASSIFICATIONS AND MAPS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 851) recommending that H.B. No. 611, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 611, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE DIGITIZATION OF HISTORIC PRESERVATION RECORDS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 852) recommending that H.B. No. 719, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 719, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAHAINA FLOOD CONTROL PROJECT," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 854) recommending that H.B. No. 822, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 822, HD 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HAWAII ASSOCIATION OF CONSERVATION DISTRICTS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 866) recommending that H.B. No. 1509, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1509, HD 3, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 870) recommending that H.B. No. 943, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 943, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL MONETARY PENALTY SPECIAL FUND," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 871) recommending that H.B. No. 1063, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1063, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL CARE," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 873) recommending that H.B. No. 1432, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1432, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE INTERIM ASSISTANCE REIMBURSEMENT SPECIAL FUND," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

THIRD READING

H.B. No. 171, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 171, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HURRICANE RESERVE TRUST FUND," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 172, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 172, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE EMERGENCY AND BUDGET RESERVE FUND," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 173, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 173, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPEAL OF FUNDS AND ACCOUNTS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 15, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 15, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 1071, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 1071, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING OR REPEALING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSES OF CORRECTING ERRORS AND REFERENCES, CLARIFYING LANGUAGE, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 83, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 83, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

H.B. No. 79, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 79, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NON-GENERAL FUNDS," passed Third Reading by a vote of 49 ayes, with Representatives Jordan and McDermott being excused.

At 9:16 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 436, HD 1
 H.B. No. 354, HD 2
 H.B. No. 293, HD 1
 H.B. No. 848
 H.B. No. 813, HD 3
 H.B. No. 493, HD 1
 H.B. No. 457, HD 1
 H.B. No. 264, HD 2
 H.B. No. 1345, HD 1
 H.B. No. 867, HD 1
 H.B. No. 1482, HD 2

H.B. No. 1282, HD 1
 H.B. No. 1292, HD 2
 H.B. No. 95, HD 1
 H.B. No. 906, HD 1
 H.B. No. 827, HD 3
 H.B. No. 492
 H.B. No. 1404, HD 1
 H.B. No. 210, HD 1
 H.B. No. 414, HD 1
 H.B. No. 452, HD 1
 H.B. No. 1489, HD 1
 H.B. No. 1256, HD 2
 H.B. No. 1422, HD 2
 H.B. No. 746, HD 1
 H.B. No. 391, HD 1
 H.B. No. 1186, HD 2
 H.B. No. 1268, HD 2
 H.B. No. 1349, HD 2
 H.B. No. 268, HD 2
 H.B. No. 613, HD 1
 H.B. No. 155, HD 1
 H.B. No. 440, HD 1
 H.B. No. 443, HD 1
 H.B. No. 611, HD 2
 H.B. No. 719, HD 1
 H.B. No. 822, HD 2
 H.B. No. 1509, HD 3
 H.B. No. 943, HD 1
 H.B. No. 1063, HD 2
 H.B. No. 1432, HD 2

H.B. No. 171, HD 1
 H.B. No. 172, HD 1
 H.B. No. 173, HD 1
 H.B. No. 15, HD 1
 H.B. No. 1071, HD 1
 H.B. No. 83, HD 1
 H.B. No. 79, HD 1

At this time, the Chair stated:

"Members, please remember to submit to the Clerk the list of House Bills on the Consent Calendar for which you will be inserting written comments, in support or in opposition. This must be done by the adjournment of today's Floor session."

At 9:17 o'clock a.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 9:33 o'clock a.m.

ORDINARY CALENDAR

UNFINISHED BUSINESS

Representative Tsuji, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 743) recommending that H.B. No. 205, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 205, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'd like to declare a conflict of interest. I am a farmer and I own a small family farm. Thank you, Mr. Speaker," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 205, HD 1, entitled: "A BILL FOR AN ACT RELATED TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 744) recommending that H.B. No. 1007, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1007, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Fukumoto Chang, McDermott and Pouha voting no, and with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 745) recommending that H.B. No. 1297, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1297, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PENAL CODE," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 747) recommending that H.B. No. 456, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 456, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'd like to declare a conflict of interest. My husband is a police officer," and the Chair ruled, "no conflict."

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

"I'd like to proceed with a no vote. Comments, just four things. I think that domestic violence should be taken seriously, and that the intent is good to protect those who come forward. There's just four concerns that I have. One is that to come forward with an allegation without a witness, currently the domestic violence laws state that if someone who has been abused through domestic violence, if they have a change of heart, the State will take over and then proceed with the case even if that person pulls out. But without a witness, it would be a random allegation and therefore may have less weight than it would if there could be a witness with it. Currently, there is a process by which someone can put forth a notarized statement without even going to the police station where they would be protected, no one would know that they submitted it, and it would go through a confidential process by the rules that they have.

"The second thing is that it also violates home rule. The ability to submit a notarized statement is part of their collective bargaining agreement, and so this is something that oversteps our bounds as legislators, and should be handled on the level of collective bargaining within their unit.

"The third thing is removing officers off the road. The way the process goes right now is if there is an allegation against a police officer, immediately they are taken off the road. And so without having a witness or a verifiable statement, it may or may not deter or affect the amount of officers that are able to do their job, because they are being taken off the road for an allegation with no witness, they're not sure who it is or who's making the allegation.

"So I think that there could still be a way to protect the people who come forward with the domestic violence cases, but in a way that would still give them their collective bargaining rights and keep the officers on the

road, so for public safety we can still have the same amount of officers out there. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 456, HD 1, entitled: "A BILL FOR AN ACT RELATING TO POLICE DEPARTMENTS," passed Third Reading by a vote of 46 ayes to 4 noes, with Representatives McDermott, Pouha, Tupola and Ward voting no, and with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 749) recommending that H.B. No. 683, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 683, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

"Thank you, Mr. Speaker. I will be voting no on this measure also. Let me kind of highlight some of the concerns that I had. I'm looking at this current draft before us. Clean effective date, I believe it's upon approval. What it does here is materially make a change to the current law and the authority of the Executive Director of the Hawaii Civil Rights Commission. This basically gives him the discretion to dismiss a complaint, issue a notice to the complainant indicating that the complainant may bring a civil action as provided under this chapter.

"I take that and I read that to mean that a complaint that has been filed with the Hawaii Civil Rights Commission for its consideration, review, investigation, and formal opinion on whether to proceed or not to proceed, now can be decided by one individual there. That's a concern I have.

"Another concern related to that decision making authority is that if the complaint is dismissed and a notice of right to sue is issued, it is not subject to the normal reconsideration or review by an appellate body, or in this case a judicial review process, right or wrong standard of that decision. So seemingly, what it does is allow the executive director upon his or her pronouncement, evaluation, decision, to summarily dismiss a complaint and send the petitioner complainant off to the circuit court for further determination.

"Maybe I'm misreading this, but at this point in time, because it has an effective date upon approval, I'll be voting no. Thank you."

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

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

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

"Thank you, Mr. Speaker. A no vote and a comment. I think, just the same idea as the Representative from Wahiawa. The displacement of the case load from the civil rights into the court system, which is right now very heavily burdened, is a huge concern. And because there is a defect date and because the courts are at their capacity trying to build new courthouses, this may be a serious problem for them. So, thank you."

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

"Mr. Speaker, I rise in support of this measure. I would like to clarify that this legislation continues the existing statutory practice of allowing the Executive Director of the Civil Rights Commission to issue a determination of whether there is reasonable cause to continue with a complaint or whether to dismiss it. Basically what this legislation does is just to extend the time period in which that decision is made from 100 days to 180 days. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 683, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CIVIL RIGHTS COMMISSION," passed Third Reading by a vote of 43 ayes to 7 noes, with Representative Ward voting aye with reservations, with Representatives Fukumoto Chang, Har, Kong, Matsumoto, Oshiro, Pouha and Tupola voting no, and with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 750) recommending that H.B. No. 951, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 951, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NOTICE OF HEARING BY THE LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

At 9:43 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 205, HD 1
H.B. No. 1007, HD 1
H.B. No. 1297, HD 1
H.B. No. 456, HD 1
H.B. No. 683, HD 1
H.B. No. 951, HD 1

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

The House of Representatives reconvened at 9:44 o'clock a.m.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 751) recommending that H.B. No. 279, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 279, HD 2, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESPERSONS," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 752) recommending that H.B. No. 952, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 952, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WAGES AND HOURS ON PUBLIC WORKS LAW," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

Representatives Rhoads and McKelvey, for the Committee on Judiciary and the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 753) recommending that H.B. No. 1011, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 1011, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," passed Third Reading by a vote of 49 ayes to 1 no, with

Representative Tupola voting no, and with Representative Jordan being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 754) recommending that H.B. No. 1273, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1273, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 755) recommending that H.B. No. 1089, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1089, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

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

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

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

"Reservations, because it has a July 1st, 2112 date. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1089, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Third Reading by a vote of 50 ayes, with Representatives Har, Matsumoto, Onishi, Oshiro, Rhoads, Takayama and Tokioka voting aye with reservations, and with Representative Jordan being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 756) recommending that H.B. No. 620, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 620, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Third Reading by a vote of 47 ayes to 3 noes, with Representatives Cullen, Har and Yamane voting no, and with Representative Jordan being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 758) recommending that H.B. No. 1090, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1090, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT AGREEMENTS," passed Third Reading by a vote of 50 ayes, with Representative Jordan being excused.

At 9:47 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 279, HD 2
H.B. No. 952, HD 2
H.B. No. 1011, HD 1
H.B. No. 1273, HD 2
H.B. No. 1089, HD 2
H.B. No. 620, HD 2
H.B. No. 1090, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 760) recommending that H.B. No. 482, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 482, HD 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 761) recommending that H.B. No. 507, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 507, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Strong support with written comments."

Representative Tsuji's written remarks are as follows:

"I rise in support of HB 507, HD 1. This measure aims to control the spread of the macadamia felted coccid to areas which are still free from infestation. Funds would go to DOA, and in cooperation with CTAHR, research would be done to develop methods for the prevention and treatment of this pest.

"A recent Hawaii Tribune-Herald article cited the fact that macadamia nut crops are among the top exports/agricultural commodities in Hawaii. Most of those crops are on the Big Island. This pest can cause severe damage to macadamia nut orchards, decimate the crop(s), and thus prevention measures are needed."

Representative Tsuji also submitted the following *Hawaii Tribune-Herald* article:

"Hawaii exports thriving

Posted March 9, 2015 – 1:01am

LIHUE, Kauai (AP) — Merchandise exports from Hawaii soared to \$1.5 billion last year, a new record high that contributed to the nearly \$2.35 trillion in goods and services exported nationwide.

The news from the U.S. Department of Commerce came as no surprise to company officials and business advocates, who say that exports are indeed growing.

"The economic numbers reaffirm the importance of bilateral trade as it affects our Hawaii economy," Kauai Chamber of Commerce President Randy Francisco wrote in an email.

Koloa Rum Company President and CEO Bob Gunter said company officials started exporting their products to Canada about three years ago and have slowly begun to expand those efforts to include France, Australia and Japan.

"As we all know here in Hawaii, we're uniquely positioned geographically and culturally to take advantage of export opportunities, especially in Asia and the South Pacific," Gunter said. "Because we get visitors from all over the world, but certainly from those regions, all of us who are in manufacturing in Hawaii have the opportunity to get our

products in front of consumers and potential buyers from these international markets."

Goods that were exported from Hawaii last year were led by a number of sectors, including \$479 million in transportation equipment, \$426 million in petroleum and coal products, and \$153 million in chemicals, according to data from the Department of Commerce's International Trade Administration.

Hawaii Shippers' Council President Michael Hansen said the major merchandise exports from Hawaii are refined petroleum products and residual fuel oil from the two crude oil petroleum refineries at Campbell Industrial Park in Kapolei on Oahu.

But those numbers don't tell the whole story, or paint an accurate picture of Hawaii's export market, said John Holman, the Pacific Islands director for the United States Department of Commerce's U.S. and Foreign Commercial Service.

Because of the state's unique geographic location, ships or aircraft traveling from the West Coast or other U.S. destinations stop routinely in Hawaii to refuel before continuing on to their international destination.

The cargo carried on those ships and planes, as a result, are factored into the state's export figures, Holman said.

"We know we don't make aircraft here, we don't make oil, coal products, petroleum products, or chemicals, so we have to kind of chop out what we know are not Hawaii products and see what are," Holman explained.

Some of the state's other top exports are fresh seafood, coffee, bottled water, cosmetic products, and food and beverage products like macadamia nuts or organic honey.

Perhaps the state's most successful exports, he said, are service products, such as engineering and architectural consulting services and international tourism or study, which are more difficult to track.

"Because of our proximity to Asia, and even more significantly than that, our cultural affinity with many Asian markets, Hawaii is a great place to do business internationally," Holman said. Expanding export opportunities from Hawaii has its challenges.

The high cost of importing essential manufacturing products, such as packaging, agricultural tools or machinery, is an impediment that businesses must face before they even make or sell their goods.

"That's something that we all face and it creates an unlevel playing field for all of us here in Hawaii because most Mainland manufacturers or producers of products don't have that extra high costs of freight to contend with," Gunter said.

Companies throughout the state "rely on a lot of 'outside' influences to have a successful business" because of the state's geographically remote location, County Office of Economic Development Director George Costa wrote in an email.

"Unless it is something that is actually grown and manufactured here without outside inputs, it is very difficult to succeed," Costa explained. "We have limited raw materials with which to make a product, and the product will most likely be made by someone making a wage higher than on the Mainland."

Promising areas for growth, Holman said, are markets in Australia and Canada, which also reflect strong visitor arrivals to Hawaii, as well as South Korea, where a free trade agreement was forged three years ago.

Creating free trade agreements with more countries, especially those in Asia, and either repealing the Jones Act or crafting exceptions for Hawaii, will likely encourage more Hawaii businesses to explore export options, Holman and Gunter said.

"I think that, if we could modify or eliminate the onerous requirements of the Jones Act for us here in Hawaii, it would be a tremendous benefit not only for companies who are desiring to export but also for our local residents because everything that comes into Hawaii has that higher cost added to it for freight," Gunter said."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 507, HD 1, entitled: "A BILL

FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 762) recommending that H.B. No. 1042 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1042, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 763) recommending that H.B. No. 484, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 484, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 484, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes, with Representatives Har, Jordan, Oshiro and Tokioka voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 764) recommending that H.B. No. 1087, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1087, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1087, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROTECTION," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Har, Jordan and Oshiro voting aye with reservations, and with Representatives McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 765) recommending that H.B. No. 1504, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1504, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

Representative Fukumoto Chang's written remarks are as follows:

"Mr. Speaker, I rise in opposition to HB 1504, HD 2, which would establish a cap on the electricity reliability surcharge for interconnection to the Hawaii electric system. While I support the intent of this measure, which is to reduce costs to consumers, I am concerned that price caps do not always result in lower costs for consumers.

"A good example was the gas cap that was created by the Legislature in 2004. The gas tax cap required a weekly average based on rates of other cities around the country. The oil companies used this cap as a maximum and charged at the highest rates possible under the cap. Because the cap did not result in consistently lower gas prices, the 2006 Legislature allowed for the Governor to remove the cap, and then-Governor Lingle subsequently removed it.

"My concern with this measure is that if we similarly act to cap interconnection cost by a percentage of the national average, the utility can use the same logic as the gas companies did and charge the highest point. Once enacted, I don't believe that this measure will accomplish its goal to reduce consumer costs. For that reason, Mr. Speaker, I am in opposition to HB 1504, HD 2."

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

"Mr. Speaker, serious reservations and a brief comment. Mr. Speaker, this piece of legislation calls for an interconnection charge with a cap. This is exactly the reverse of what it should be. They should be paying us to hook up to get renewable energy. We're paying them to do an interconnection charge, and you know how slow and how much of a backlog.

"The paper this morning just mentioned that we are 40% behind in terms of the number of permits that have been given because of things such as this. Mr. Speaker, I hope that the new Chair Iwase is going to be doing a number of things to make sure that we don't have to have an interconnection charge or at least a slowdown in hooking up solar to every roof and to all the fields that are deserving of it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1504, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 50 ayes to 1 no, with Representatives Har, Jordan, Oshiro and Ward voting aye with reservations, and with Representative Fukumoto Chang voting no.

At 9:52 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 482, HD 2
H.B. No. 507, HD 1
H.B. No. 1042
H.B. No. 484, HD 2
H.B. No. 1087, HD 1
H.B. No. 1504, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 767) recommending that H.B. No. 1214, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1214, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1214, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE-COUNTY FUNCTIONS WORKING GROUP," passed Third Reading by a vote of 51 ayes, with Representative Keohokalole voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 768) recommending that H.B. No. 547, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 547, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Fukumoto Chang and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 770) recommending that H.B. No. 541, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 541, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII TUITION AND FEES SPECIAL FUND," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 771) recommending that H.B. No. 96, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 96, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 773) recommending that H.B. No. 540, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 540, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII ACCOUNTING AND FINANCIAL MANAGEMENT SYSTEM," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 774) recommending that H.B. No. 543 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 543 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. No vote and brief comments. Two reasons voting no, one is the purpose and the second one is the timing. The purpose of the bill, to audit the workload at the University of Hawaii, I do believe is important, however it does lie within the collective bargaining agreement. It also is the responsibility of the University of Hawaii and the Board of Regents. The timing would definitely be hard because we just went through an audit, and actually the results are still being implemented right now of that one. So the purpose and the timing, I think that definitely the workload should be looked at, definitely we should cut spending at UH, but is this the vehicle? Probably not. Thank you."

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

"Thank you, Mr. Speaker. With reservations and a brief comment. My reservations stem largely from the fact that I, at some level, wonder if this is precedent setting in the context of evaluating all public sector workers, and we don't typically audit their workload. So I just have small reservations on those points. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 543, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Johanson and Ward voting aye with reservations, and with Representatives Fukumoto Chang, Thielen and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 775) recommending that H.B. No. 811, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed Third Reading by a vote of 51 ayes.

At 9:55 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1214, HD 1
 H.B. No. 547, HD 2
 H.B. No. 541, HD 1
 H.B. No. 96, HD 1
 H.B. No. 540, HD 1
 H.B. No. 543
 H.B. No. 811, HD 1

Representatives McKelvey and Rhoads, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 776) recommending that H.B. No. 1468, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committees be adopted, and that H.B. No. 1468, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. Please note my serious reservations, and may I have brief comments, please? Thank you, Mr. Speaker. Mr. Speaker, first of all, I want to thank the CPC Chair for making the effective date of 2112.

"My concern really does arise from the testimony that was submitted by Jeffrey Ono, the Division of Consumer Advocacy. Specifically he notes that, 'The Consumer Advocacy is concerned that this bill would repeal all of the legislation passed in 2012 that provided the regulatory framework by which an undersea electricity transmission cable would be developed, if a decision were to be made to move forward with the development of an undersea cable.' Under HRS 269-131 to 269-135, entitled the 'Interisland Transmission System,' it provided 'a clear regulatory path by which the cable could be developed. These provisions set forth the Request for Proposal process, the certification process, and the cost recovery mechanism for a certified cable company. Each of these elements is intended to remove regulatory uncertainty from the process of developing, installing, and operating an undersea cable, but discussion on Act 165, Session Laws of Hawaii 2012, made it clear that these provisions were only part of a larger, ongoing discussion on the benefits and costs of undersea cable – not the end of it.'

"And for those reasons, Mr. Speaker, I'm with reservations. Thank you."

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

"Thank you, Mr. Speaker. In support. Thank you, just very briefly on this measure. I really want to thank the CPC Chair for his work on this. Clearly when the Legislature passed the original law that established the regulatory framework for an interisland cable some years ago, it had the intent of doing what is in the best interest of the public. There's a divide today though, between what is in the best interest of the public and what is actually transpiring.

"As we look at the different utility changes that are taking place, both with distributed generation, with utility-scale projects on the neighbor islands, with our very energy sector itself, we have to responsibly take a look at what our future is going to look like with our energy use here. Is it going to mean energy use here on individual islands, or energy use collectively as a whole state? And that is a question that is yet to be answered.

"Especially right now with the potential merger of HECO and NextEra on the table. Their proposals to do 200 megawatts-plus of wind on Maui. Their proposals to connect and expand geothermal on the Big Island. Their proposals to do all sorts of things which could have potential benefits, but could also engender serious risks for those communities, for our grid, and for the cost to consumers.

"What this measure does is take a look at repealing a portion of what was put in place, and the only portion of that law it repeals reflects the ability for rate recovery from consumers to study and figure out this situation. What that means is, we're repealing the ability of the State to add costs to consumers' electric bills to pay for the studies that these utilities are going to do.

"What we want to know is what those plans are in the first place before we allow the utilities to charge consumers for these studies. That's what we want to know. Because all of this is up in the air, there's billions of dollars in investment, both in the neighbor islands and here on the table, and the very future of our energy grid is at stake. We want to know what those plans are before we allow people to charge our constituents and our ratepayers for those studies. Thank you very much."

Representative Har rose to respond, stating:

"Thank you, Mr. Speaker. Brief rebuttal. I appreciate the passion of the EEP Chair, but that said, again, if you look back at 2012, the law that we passed, also known as Act 165, all it was meant to do was to provide the degree of certainty to any cable developer in knowing how the selection process would occur and how the developer would be compensated. It was not a mandate to the PUC to move forward with the development of an undersea cable. It simply established the regulatory framework for an undersea cable if it was decided that a cable would be in the public interest, with the net benefits of the cable exceeding the cost.

"Therefore, since the framework in Act 165 would be called only upon when the State was ready to move forward with the installation of an undersea cable, and not before the State is ready, it's not clear what the benefit is in repealing this legislation and how it best serves Hawaii in reaching its long-term clean energy goals. And again, for those reasons, I stand with reservations. Thank you, Mr. Speaker."

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

"Mr. Speaker, I rise in support of this measure. I'd just like to note that in 2012 the interisland transmission cable was a top priority of the former Governor, and many in the public felt that that decision was being made without substantial public input. This legislation will permit the current Administration to reassess that policy and to develop a framework in which to make a decision that will benefit the entire State. Thank you very much."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1468, HD 2, entitled: "A BILL

FOR AN ACT RELATING TO THE INTERISLAND HIGH-VOLTAGE ELECTRIC TRANSMISSION CABLE SYSTEM," passed Third Reading by a vote of 50 ayes, with Representative Har voting aye with reservations, and with Representative Cachola being excused.

Representatives McKelvey and Rhoads, for the Committee on Consumer Protection & Commerce and the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 777) recommending that H.B. No. 1176, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 1176, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Third Reading by a vote of 49 ayes to 1 no, with Representative McDermott voting no, and with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 779) recommending that H.B. No. 1051, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1051, HD 1 pass Third Reading, seconded by Representative Evans.

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

Representative Tsuji's written remarks are as follows:

"This measure would give the Department of Agriculture – via its Board – the authority to adopt administrative rules relating to the origin of certain agricultural commodities.

"Hawaii products are very often prized and valued by visitors and locals alike. There have been unfortunate examples of unethical, falsely marketed agricultural products claiming Hawaii as its origin. HB 1051 is a budget-neutral way to allow the industry to drive the demand or need for such origin designation instead of creating legislative mandates with possible fiscal implications."

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

"Thank you, Mr. Speaker. Potential conflict. I'm a farmer and small business owner. Thank you, Mr. Speaker," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1051, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 50 ayes, with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 781) recommending that H.B. No. 1372, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1372, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. Again, potential conflict. I'm a farmer," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1372, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," passed Third Reading by a vote of 50 ayes, with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 782) recommending that H.B. No. 240, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 240, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. In support, and I just want to say Happy Anniversary to this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 240, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SEAWATER AIR CONDITIONING," passed Third Reading by a vote of 50 ayes, with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 783) recommending that H.B. No. 1028, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1028, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 50 ayes, with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 784) recommending that H.B. No. 1454, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1454, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I'm rising with reservations against this measure. Nothing against the Chamber of Commerce, in fact, I worked well with them over the last several years, I think they're an integral part of our business community. Most recently with the Hiring Our Heroes campaign, they did an admirable job. My hat's off to Sherry McNamara and the board.

"What concerns me is that this particular measure here has an effective date of December 31st, 2015. It goes out to January 1st, 2023. It's a temporary tax credit, manufacturer's tax credit.

"Two points. I have some concerns with the language regarding what can be picked up under this particular qualified manufacturing cost, and also the reasonable and necessary cost incurred to train employees to manufacture tangible personal property in the State.

"If I look through the testimony that's provided by the Chamber of Commerce and the initial draft that was filed, they looked at, I think, capping it at no more than, I think it was \$200,000 per qualified business. And if I look at the number of small businesses according to the Chamber of Commerce of Hawaii, they have about 1,000 small business manufacturers in the State. Simple math, potential liability to the State of about \$20 million.

"So I just need to take note of that, Mr. Speaker, at this time. There's other bills coming up with other credits, and we have the budget before us next week. So, I just wanted to bring that to the Members' attention. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1454, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a

vote of 50 ayes, with Representative Oshiro voting aye with reservations, and with Representative Cachola being excused.

At 10:05 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1468, HD 2
 H.B. No. 1176, HD 2
 H.B. No. 1051, HD 1
 H.B. No. 1372, HD 2
 H.B. No. 240, HD 1
 H.B. No. 1028, HD 2
 H.B. No. 1454, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 785) recommending that H.B. No. 775, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 775, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Chair. Ruling on a potential conflict. I'm employed as a professor at one of the institutions. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 775, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 49 ayes, with Representatives Har and Tokioka being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 789) recommending that H.B. No. 716, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 716, HD 2, entitled: "A BILL FOR AN ACT RELATING TO INNOVATIVE BUSINESS INTERACTION," passed Third Reading by a vote of 49 ayes, with Representatives Har and Tokioka being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 791) recommending that H.B. No. 1329, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1329, HD 2 pass Third Reading, seconded by Representative Evans.

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

"With reservations. I understand that it's possible that the racetrack may go in a place in Ewa Beach that has recently been designated as a national battlefield. I know that's still up in the air, but until I know for sure, I stand with strong reservations."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1329, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR ASSISTING AN INDUSTRIAL ENTERPRISE," passed Third Reading by a vote of 46 ayes to 3 noes, with Representative LoPresti voting aye with reservations, with Representatives Thielen, Tupola and Ward voting no, and with Representatives Har and Tokioka being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 792) recommending that H.B. No. 206, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 206, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN PLANTS," passed Third Reading by a vote of 48 ayes to 1 no, with Representative Fukumoto Chang voting no, and with Representatives Har and Tokioka being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 793) recommending that H.B. No. 207, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 207, HD 2 pass Third Reading, seconded by Representative Evans.

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

Representative Say's written remarks are as follows:

"Mr. Speaker, I rise in favor of HB 207, HD 2, Relating to Training.

"This bill requires that members of certain boards and commissions attend Native Hawaiian Law training classes funded by the Office of Hawaiian Affairs, and developed by third-party legal experts. It represents an opportunity to ensure that key state policymakers understand and are aware of certain issues when making decisions that are consistent with the state fiduciary obligations to the Native Hawaiian People.

"And so a training course in Hawaiian Law for appointed policymakers and relevant boards and commissions is necessary to fulfill the trust, obligation, and responsibility held by the State of Hawaii towards the *Kānaka Maoli*. It is for these reasons that I support HB 207, HD 2. *Mahalo.*"

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

"Mr. Speaker, strong support, written comments, please. Thank you."

Representative Oshiro's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 207, HD 2.

"Because government agencies have been established to best protect, perpetuate, and represent the interests of the State of Hawai'i, it is imperative that our state employees acquire and possess at least a modicum of knowledge about Native Hawaiian culture and rights – knowledge which each employee must have in order to fulfill what is mandated by our Hawai'i State Constitution:

"TRADITIONAL AND CUSTOMARY RIGHTS
Section 7. The State reaffirms and shall protect all rights, customarily and traditionally exercised for subsistence, cultural and religious purposes...'

"State board, committee, council, and departmental members have a duty to protect and preserve these rights, which they would learn more about during a course put together and fully funded by OHA.

"The concept of an OHA-funded and staffed course on Native Hawaiian rights is not new. In what can be seen as a pilot program, OHA has offered three voluntary training courses since January 2013 about Native Hawaiian law. OHA has partnered with the renowned Professor Melody Kapilialoha MacKenzie at the Richardson School of Law at UH-Manoa, and Director of the Ka Hulia Ao Center for Excellence in Native Hawaiian Law to teach these three Native Hawaiian Law training courses with a focus on the public land trust, water, traditional and customary rights, and *iwi kūpuna* or ancestral remains. During that short time since its inception, more than 250 people have voluntarily attended the course.

"Professor MacKenzie testified that 70-80% of program attendees believed the course had increased their understanding and knowledge of the State's trust duties and responsibilities in each of the subjects covered

by the training. When asked to identify the most important 'takeaways' from the training, responses included:

- The difficult and huge responsibilities for us to respect and protect Hawaiian traditional and customary practices.
- The Public Land Trust is real and important.
- Water laws in Hawaii incorporate a concept of public trust.
- The historical basis of Native Hawaiian customary rights and practices.
- The counties do have an obligation to conserve and protect the State's natural resources.
- A better understanding of water resource management in Hawai'i.

"Employees at the Department of Land and Natural Resources and the Land Use Commission (LUC) who participated in the course testified that 'everyone who attended had high praise for the course and indicated it was well worth their Saturday.' The LUC further praised the course in their testimony, writing that the courses were 'incredibly valuable for staff who must advise commissions and non-expert commissioners who deal with public trust issues involving Hawaiian traditional and customary rights, water, natural and archaeological resources, and burials.'

"As a voluntary initiative, the course has been very successful in garnering positive praise for the content and quality of its subject matter, and one can only imagine how many more people might benefit from this course by making the program a requirement for state board members, council members, committee members, commission members, and other state departmental members. Overwhelming support for this program requirement has been seen at both the State level and at the individual and community levels in the testimonies submitted to the committees.

"For these reasons, I wholeheartedly support this bill and I look forward to attending these courses. I hope my colleagues will take these clear facts under consideration as well as the support for this bill on both the community and State level. As always, I stand ready and remain available to assist in further refinement of the underlying policy. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 207, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAINING," passed Third Reading by a vote of 49 ayes, with Representatives Har and Tokioka being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 794) recommending that H.B. No. 393, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 393, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN FISHPONDS," passed Third Reading by a vote of 49 ayes, with Representatives Har and Tokioka being excused.

At 10:08 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 775, HD 1
 H.B. No. 716, HD 2
 H.B. No. 1329, HD 2
 H.B. No. 206, HD 2
 H.B. No. 207, HD 2
 H.B. No. 393, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 795) recommending that H.B. No. 10, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 10,

HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 796) recommending that H.B. No. 11, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 11, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 798) recommending that H.B. No. 820, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 820, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EARLY CHILDHOOD EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 799) recommending that H.B. No. 821, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 821, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 800) recommending that H.B. No. 831, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 831, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CHARTER SCHOOLS," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 801) recommending that H.B. No. 1412, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1412, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 804) recommending that H.B. No. 180, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 180, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOBBYING CONTRIBUTIONS AND EXPENDITURES STATEMENTS," passed Third Reading by a vote of 50 ayes, with Representative Creagan being excused.

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

H.B. No. 10, HD 2
 H.B. No. 11, HD 2
 H.B. No. 820, HD 2
 H.B. No. 821, HD 1
 H.B. No. 831, HD 2

H.B. No. 1412, HD 2
H.B. No. 180, HD 1

At 10:10 o'clock a.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 10:11 o'clock a.m.

LATE INTRODUCTIONS

The following late introduction was made to the Members of the House:

Representative Hashem introduced 5th grade students of Wilson Elementary School: Robinique Cacho, Emmanuel Correa, Diamond Decker, Ian Farm, Lyrico Iihama, Kristin Kail, Kaylee Kodama, Reece Kosaki, Clara Kranz, Nathan Loo, Shalae Lutu-Thompson, Elijah Martin, Morgan McKinney, Logan Miyasaki, Shyloh Morgan, Codie Nakamura, Nia Nakashima, Ethan Nunn, Izea Nu'uanu, Bryce Oshiro, Meleana Sekona, Tatiana Strongosky, Kaili Takara, Mokihana Tufono, Noa Uchida, Noah Zane, Sarah Balbarino, Sinn Brennan, Maya Gabrielle Chizer, Ethan Farm, Jacob Fetterman, Matthew Frisbie, Kennedy Hara, Mandi Haraga, Genna Kaneshiro, Kirra Kawai, Jackson Keenan, Isabelle Kim, Kyla Lee, Tanner Lee, Hannah Lorenzo, Reyn Machida, Noah Matsumoto, Matthew Nakama, Avery Oshimo, Hye Yeon Park, Levi Scotte, Sonal Sharma, Michika Soma, Sakura Takahashi, Sionepaongo Taufu and Riki Watanabe; teacher, Mr. Max Kaneshiro; and educational assistant, Ms. Georgiana Ngrirsaol.

ORDINARY CALENDAR

UNFINISHED BUSINESS

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 806) recommending that H.B. No. 792, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 792, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, in strong support and I'd like to insert written comments into the Journal."

Representative Tokioka's written remarks are as follows:

"On Kauai, we have many instances of visitors' personal property being stolen from their vacation rentals, hotel rooms, and rental cars. This bill gives these people the opportunity to testify in a video conference without incurring the significant expense of coming back to Hawai'i to testify on a case. In many cases, the value of the property stolen is less than the aggregate cost of plane tickets, hotel rooms, and other necessary expenses associated with returning to Hawai'i to testify. In many instances, the same perpetrators steal from multiple victims, which creates a bad impression of Kauai and Hawai'i in general. These tourists are then less likely to recommend vacations and attractions in Hawai'i, and more likely to complain to others about their experience, making not only the victim but also their entire network of family and friends less likely to visit Hawai'i in the future.

"This bill would not only deter criminals from targeting tourists, thus reducing the frequency of these negative experiences, but also give victims the opportunity to find closure through the judicial process without spending thousands of dollars to return to Hawai'i to testify. It is for these reasons, I am in strong support of this bill."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 792, HD 2, entitled: "A BILL FOR AN ACT RELATING TO EVIDENCE," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 807) recommending that H.B. No. 1185, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1185, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 13, OF THE HAWAII CONSTITUTION, TO AMEND THE TIMING OF MATURATION FOR GENERAL OBLIGATION BONDS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 809) recommending that H.B. No. 1491, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1491, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 810) recommending that H.B. No. 966, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 966, HD 1 pass Third Reading, seconded by Representative Evans.

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

"I request a ruling on a potential conflict. I work for a nonprofit," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 966, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 237-23, HAWAII REVISED STATUTES," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 811) recommending that H.B. No. 26, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 26, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 26, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF TRUSTEES," passed Third Reading by a vote of 51 ayes, with Representative Jordan voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 812) recommending that H.B. No. 124, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 124, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

"Thank you, Mr. Speaker. Reservations. And my only reservations really on this are just that the voter service centers, I want to make sure that there

is something on Central Oahu, because Central Oahu often gets left out when it comes to this kind of stuff. So just making sure that there is something there so people can show up on Election Day to go to the polls. That's it, thank you so much."

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 124, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 51 ayes, with Representatives Fukumoto Chang, Keohokalole, LoPresti, Matsumoto and Ward voting aye with reservations.

At 10:14 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 792, HD 2
H.B. No. 1185, HD 1
H.B. No. 1491, HD 2
H.B. No. 966, HD 1
H.B. No. 26, HD 1
H.B. No. 124, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 813) recommending that H.B. No. 148, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 148, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WRONGFUL IMPRISONMENT," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 815) recommending that H.B. No. 346, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 346, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 346, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIVIL PROCESS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representative Jordan voting aye with reservations, and with Representatives McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 816) recommending that H.B. No. 376, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 376, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CHIEF ELECTION OFFICER," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 817) recommending that H.B. No. 401, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 401, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VOTING," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 820) recommending that H.B. No. 612, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 612, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. With reservations. I think it's a good idea just to help in the case of a disaster, like we saw with Puna this year, in an election. My only concern is just that what will happen is the information on who is winning the election will be in the hands of just a few people, including party officials that are here to watch for their certain political party. While I know the bill is trying to make sure that that can't be disclosed, I'm not sure that that information will be kept secret, and I would rather have everybody know than just a few people know. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 612, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Fukumoto Chang and Ing voting aye with reservations, and with Representatives Thielen and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 821) recommending that H.B. No. 1010, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1010, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, with reservations, brief comment. I think it's good that we're encouraging employers to give commuting privileges to their employees, however this just happens to be juxtaposed next to the rail and the bill that's coming up. It looks like it's an incentive and a momentum to get a little bit more speed with the passage of rail. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1010, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMUTER BENEFITS PROGRAM," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Ward voting aye with reservations, and with Representative McDermott voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 822) recommending that H.B. No. 1408, HD 2, as amended in HD 3, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1408, HD 3, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE ROADS," passed Third Reading by a vote of 51 ayes.

At 10:18 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 148, HD 2
 H.B. No. 346, HD 1
 H.B. No. 376, HD 2
 H.B. No. 401, HD 2
 H.B. No. 612, HD 2
 H.B. No. 1010, HD 1
 H.B. No. 1408, HD 3

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 824) recommending that H.B. No. 805, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 805, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, with reservations, please. Brief comment. Mr. Speaker, I think this is good for veterans, and as a veteran this is terrific. However, it looks as though the spouses and the children are being pushed aside, because they kind of get the scraps left over for whatever otherwise is designated to the veteran. Because of that, I think it could be tweaked and be a bit better than it is. Thank you."

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

"Thank you, Mr. Speaker. In support. I just would like to request a ruling on a potential conflict. My husband receives disability benefits. Thank you," and the Chair ruled, "no conflict."

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

"Reservations and brief comments. I'm concerned. I support the intent of the bill, but I'm concerned that spouses, the sacrifices made by veterans' families isn't just by the veteran, him or herself, but by their families as well, and I think they're entitled to a portion of that if things go awry later on in their lives. Thank you."

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

"Mr. Speaker, I'm going to vote no on that, and the reason is to amplify what the previous two speakers said. The spouse is at home while the veteran is away, and if they're together for say 20 years, that spouse, in most cases it's the female, has earned just as much of that pension, whether its disability from PTSD or anything else, as the veteran himself. So this is unfair to them, and that's why I'm going to vote no."

Representative San Buenaventura rose, stating:

"Mr. Speaker, as a family law attorney I want to inform prior speakers that the disability benefits are already subject to spousal and child support. They already have a car bought for them, and so this bill does not prevent them from getting any less than what they're entitled to. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 805, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VETERANS DISABILITY BENEFITS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives LoPresti and Ward voting aye with reservations, and with Representatives McDermott and Pouha voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 826) recommending that H.B. No. 152, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 152, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, reservations. This is a very, very complicated bill, and it may take some financial planning and estate planning options away from me, so I'd like to study this bill a little bit more and be with reservations for right now. Thank you."

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

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

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

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

"I too, along with the Representative from Manoa, have reservations on this measure. Thank you, Mr. Speaker."

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

"Mr. Speaker, thank you. As a general practice attorney who also does probate law, as I pointed out earlier, this bill helps people. Right now, the partition action only allows for two types of partitions, that's partition by kind or partition by sale. Partition by kind is problematic because it requires zoning changes and rarely is used. Partition by sale is usually what's being used, which means an automatic auction at pennies on the dollar.

"So the problem I see as a solo practitioner, is I see like a 100 acre Kalapana property with over 100 heirs, and they're basically given like pennies, or they have no probate at all. This bill helps those people because it gives the discretion to the court to partition it without the requirements of a partition by sale or partition by kind, and it requires an appraisal, and it requires fair market values for those heirs. Thank you."

Representative Oshiro rose, stating:

"Mr. Speaker, given the remarks of the Representative from the Big Island, Puna, I will withdraw my reservations, I'll be voting straight up. Thank you."

Representative Choy rose to respond, stating:

"Just a brief rebuttal. This bill forces a partition, and that's, I guess, that's my great concern. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 152, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PARTITION OF HEIRS PROPERTY," passed Third Reading by a vote of 51 ayes, with Representatives Choy, Har, Jordan and Tokioka voting aye with reservations.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 827) recommending that H.B. No. 715, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 715, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOW-SPEED ELECTRIC BICYCLES," passed Third Reading by a vote of 51 ayes.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 828) recommending that H.B. No. 858, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 858, HD 2, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC VIOLENCE," passed Third Reading by a vote of 51 ayes.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 829) recommending that H.B. No. 1272, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1272, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I'd like to ask for a ruling on a potential conflict. My son is deaf, and this bill that I introduced helps deaf people understand what's going on at the movies," and the Chair ruled, "no conflict."

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

"Thank you very much. I'm in strong support, and I'd like to ask to insert written comments into the Journal. Thank you very much."

Representative Tokioka's written remarks are as follows:

"There are over one million functionally deaf persons living in the United States right now. About 8 million people, or 3.7% of the population, are hard of hearing. These individuals are constituents. They are our neighbors, our family members, and our friends – and they have made their voices heard throughout the legislative process of this bill. While movie theaters are able to comply with ADA standards by making auxiliary aids available, the auxiliary aids currently supplied to moviegoers who suffer from hearing loss are inadequate, cumbersome, and detract from the movie-going experience. For example, closed captioning glasses and rear-window captioning allow users to view captions, but can also cause headaches, motion sickness and nausea. Moreover, these devices are conspicuous and make their users feel out of place, making them more reluctant to attend movie screenings. Open captioning does not require any individualized special equipment, does not cause headache, motion sickness or nausea, and allows deaf and hard of hearing moviegoers the dignity of enjoying movies in the same way as their hearing peers. By increasing accessibility of movie theaters, we're opening the doors to a large part of mainstream American culture available to the deaf, blind and hard of hearing community.

"Some may claim that we do not need this legislation for a couple of reasons. The two main objections that have been presented to me are the United States Department of Justice's Proposed Federal Regulation amending the Americans with Disabilities Act, specifically regarding motion picture theaters. The second, a pending court case in the State of Arizona.

"Regarding the first item; the United States Department of Justice is in the process of establishing a Federal Regulation (FR) relating to movie theaters. In August 2014, the Department of Justice – Civil Rights Division, published a Notice of Proposed Rulemaking to amend the Americans With Disabilities Act requiring movie theaters to provide closed movie captioning and audio descriptive narration to give persons with hearing and vision disabilities greater access to motion pictures. Currently, the ADA only requires places of public accommodations (including movie theaters) to provide 'auxiliary aids' to ensure that persons with disabilities are not denied services, segregated, or otherwise treated differently than other individuals. While the current ADA standard does in fact list a number of permissible auxiliary aids, the overall language in this section is vaguely worded to the extent that some theaters have been able to continue business as usual without providing closed captioning and

audio description narration. The new proposed FR will explicitly require movie theaters to have a specified number of audio descriptive narration devices and closed captioning devices on hand, based on the size of their operation, and that they shall make these devices available for 'all showings whenever movies are produced, distributed, or otherwise made available with captioning and audio description unless to do so would result in an undue burden or fundamental alteration' of the goods and services being provided. While the new proposed FR, if and when it is implemented, will be more comprehensive and more enforceable than the current ADA requirements, however, they still fall woefully short of providing an 'equal experience' for individuals in the deaf, blind, and hard of hearing community.

"Secondly, the court case involving closed captioning and movie theaters accessibility involves a protracted court case in the State of Arizona. In the case of *Arizona v. Harkins Amusement Enterprises, Inc.*, plaintiffs Fredrick Lindstrom and Larry Wagner, who have significant hearing and vision loss, respectively, brought suit against Harkins Amusement Enterprises movie theater chain for neglecting to make auxiliary aids available upon request. Arizona's lower courts initially ruled in favor of Harkins Amusement, but the decision was then appealed to the 9th Circuit Court of Appeals who overturned the previous ruling by the lower court (in part) AND held up the lower court's ruling (in part), then sent it back to Arizona District Court. In the Court's opinion, they believed that the ADA does, in fact, include movie theaters as a place of public accommodation, thus would require movie theaters to make reasonable accommodations for individuals with disabilities including making closed captioning and descriptive narration devices available for public use. This decision, however, has been in limbo since 2010 and the Court has given no indication that this case will be resolved in the near future.

"Yes, the United States Department of Justice will be rolling out a Federal Regulation specifically relating to movie theaters, and yes, there is a lawsuit in the court system also relating to captioning in movie theaters. These two items, however, have no implementation date and have been 'in the works' for a number of years now. These 'reasons' should not preclude us from taking action now, putting Hawai'i ahead of the curve in this respect. In 1974, Hawai'i was the first of all 50 states to enact employer paid health care coverage. At that time, we were considered the 'gold standard' and the model by which many states mirrored their own programs after. Additionally, the justification or rationale for taking no action on our part because of possible action on the part of others is illogical. A change in Federal standards DOES NOT preclude us from enacting related state legislation that is more comprehensive and Hawai'i-specific to address increased accessibility to a sizeable number of individuals whom have thus far been excluded from enjoying what many of us take for granted. It is for these reasons that I stand in strong support of HB 1272, HD 2."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1272, HD 2, entitled: "A BILL FOR AN ACT RELATING TO MOVIE THEATERS," passed Third Reading by a vote of 51 ayes.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 831) recommending that H.B. No. 819, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 819, HD 2, entitled: "A BILL FOR AN ACT RELATING TO BULLYING," passed Third Reading by a vote of 50 ayes to 1 no, with Representative McDermott voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 832) recommending that H.B. No. 767, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 767, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY," passed Third Reading by a vote of 51 ayes.

At 10:25 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 805, HD 2
 H.B. No. 152, HD 2
 H.B. No. 715, HD 1
 H.B. No. 858, HD 2
 H.B. No. 1272, HD 2
 H.B. No. 819, HD 2
 H.B. No. 767, HD 2

At this time, the Chair stated:

"Members, we're on page 20. We will be taking House Stand. Com. Report Number 838 out of order."

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 838) recommending that H.B. No. 520, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that notwithstanding the recommendations contained in Standing Committee Report No. 838, that H.B. No. 520, HD 2 be recommitted to the Committee on Finance, seconded by Representative Evans.

The motion was put to vote by the Chair and carried, and H.B. No. 520, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT," was recommitted to the Committee on Finance.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 833) recommending that H.B. No. 1453, HD 1 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1453, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE MOLOA'A WELL PROJECT ON THE ISLAND OF KAUAI," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 834) recommending that H.B. No. 894, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 894, HD 2 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 894, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE ENHANCED 911 BOARD," passed Third Reading by a vote of 51 ayes, with Representative Jordan voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 836) recommending that H.B. No. 1370, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1370, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'm registering a no vote. Thank you. I think that the bill intent is good. On page 3, line 9, it says, 'Requires that each party shall be taxed on the share of the retirement benefit received'. That was my only concern, is that this is creating a new tax on parties who are

would be awarded a portion of their former spouse's retirement benefit. Just that line, no more taxes, but the intent, good. Thank you."

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

"Just with reservations. Just for clarification, it wouldn't be a new tax, it would just be apportioned. My reservation is, this is an exposure or a new administrative task that I don't think ERS should be taking on, and that's my reservation. Thank you."

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

"Please note my reservations. I'm just concerned about the cost to ERS in the future. Thank you."

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

"In strong support. The rise of federal law has been in effect for over 40 years. We're like one of the last states in the union that allow our state retirement system to not be divided up as part of domestic relations order. So the problem arises upon divorce that people who thought that they don't have to see their ex-spouse again are going to have to, at time of retirement, have to start knocking on the door to request their share of retirement.

"But two problems arise in that the employee, the good employee who actually follows the divorce decree and gives his share of the retirement, is then being given a 1099 of the entire amount. More than half of these employees don't know that they have to then do a 1099R to show that the ex-spouse gets their share. So they end up getting taxed the entire amount of their retirement.

"This is long coming. I hear it as a family law attorney from both sides, the employee's spouse wants nothing to do with their ex-spouse, and they want it over and done with. The abused spouse for sure wants nothing to do with their ex-spouse. And to alleviate the cost, there is a fee that is going to be assessed, and hopefully because of the 2017 defect date it won't be as bad on the ERS system as people are projecting it to be. But it's long due. It's about time we be part of the rest of the country. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1370, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DIVORCE," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Choy and Morikawa voting aye with reservations, and with Representatives Fukumoto Chang, McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 839) recommending that H.B. No. 546, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 546, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL BENEFITS," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 847) recommending that H.B. No. 438, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 438, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE KAHO'OLAWA ISLAND RESERVE COMMISSION," passed Third Reading by a vote of 51 ayes.

At 10:30 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1453, HD 1
 H.B. No. 894, HD 2
 H.B. No. 1370, HD 1
 H.B. No. 546, HD 1
 H.B. No. 438, HD 1

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 849) recommending that H.B. No. 444, HD 2, as amended in HD 3, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 444, HD 3 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 444, HD 3, entitled: "A BILL FOR AN ACT RELATING TO BEACH PROTECTION," passed Third Reading by a vote of 51 ayes, with Representative Keohokalole voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 850) recommending that H.B. No. 515, HD 2, as amended in HD 3, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 515, HD 3 pass Third Reading, seconded by Representative Evans.

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 515, HD 3, entitled: "A BILL FOR AN ACT RELATING TO REMNANTS," passed Third Reading by a vote of 51 ayes, with Representatives Jordan, Keohokalole and Oshiro voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 853) recommending that H.B. No. 722, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 722, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Just real quick, in strong support, comments to the Journal. Thank you."

Representative McKelvey's written remarks are as follows:

"Lipoa Point is an important natural and cultural area on the island of Maui. This area consists of 244 acres of natural pristine land, forest, coastline, and open space. The primary public value of Lipoa Point is as an open space with key access points to the shoreline with associated cultural values, wildlife preservation, and access to the ocean for recreational opportunities. This area is a popular attraction with snorkelers, surfers, and other outdoor recreationalists. Due to its popularity, an effective management plan needs to be implemented in order to preserve the pristine nature of Lipoa Point and the surrounding marine environment. There is currently no department authorized to implement a long-term strategy plan to balance the need to protect and preserve the area."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 722, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIPOA POINT," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 855) recommending that H.B. No. 830, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 830, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 830, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL PROPERTY," passed Third Reading by a vote of 51 ayes, with Representatives Jordan and Lowen voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 856) recommending that H.B. No. 1099, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1099, HD 2, entitled: "A BILL FOR AN ACT RELATING TO OUTDOOR ADVERTISING," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Thielen, Tupola and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 857) recommending that H.B. No. 1168, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1168, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOATING SPECIAL FUND," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 858) recommending that H.B. No. 1325, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1325, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I rise in opposition. This is middle class killer bill number one for the day. Mr. Speaker, we know the middle class is generally characterized as having enough income to buy or rent a reasonably or decent house, having enough food on the table, buying or leasing a car, getting your kids in school. But as we've held that up as an icon for our nation, the American dream, we have slowly divested it of its security by increasing the cost of living, particularly in this state.

"Mr. Speaker, this bill actually levies a fee on an unknown person. It levies a fee based upon how much impervious surfaces you have in the surroundings of your house. Impervious surfaces are like blacktop, cement, roof tops, anything that causes runoff. And runoff, seriously, is the biggest pollution that we have. Basically, it's the manmade pollution running into the sea.

"However, if we are going to put a fee to somebody, we ought to know what we're doing, Mr. Speaker. We don't know the topography of every household. We know there are about 450,000 homes in the State of Hawaii. We don't know how much concrete, cement, driveways,

sidewalks, roof space there is. But we do know there's 5% of the population on urban land, and that's 92% of the people who live in the State of Hawaii.

"The differential is, even if we do a Google Earth survey, we find out your driveway is wider than your neighbors' and the other driveway, the other houses may have less because they have grass and green. And there may be people who live on the side of a mountain who have a lot of rocks and clay so they're going to have more runoff. The point is, it gets a little bit loosey-goosey on how you're actually going to measure this.

"And then the biggest variable, take my colleague who lives on west side, how much rainfall do they get on the west side? She may have a totally concrete yard, but they have 5 to 15 inches per year. My colleague from Waikiki, I think it's less than 5 inches that they get in Waikiki, but they've got cement all over the place, Mr. Speaker. So how are we going to be equitable to implement this bill? It's like a blank invoice to the middle class. If you own a house, you're going to pay.

"We should know what we're doing. This should either be a feasibility study, recommitted, or do something to make it logical. Because you know we create all these ideas about how we can get more money out of the middle class. This is the one, we don't even know how we're going to do it, and if we're going to do it, my point of my speech is, let's do it equitable. Those places that have less rainfall and more concrete, let's treat them equally of those who have less concrete and more rainfall. For those reasons, Mr. Speaker, this is a middle class killer bill. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1325, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STORMWATER MANAGEMENT," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Fukumoto Chang, McDermott, Tupola and Ward voting no.

At 10:37 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 444, HD 3
H.B. No. 515, HD 3
H.B. No. 722, HD 2
H.B. No. 830, HD 1
H.B. No. 1099, HD 2
H.B. No. 1168, HD 1
H.B. No. 1325, HD 1

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 859) recommending that H.B. No. 1469, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1469, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1469, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF TAX REVENUES," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Har, Jordan, Oshiro and Say voting aye with reservations, and with Representatives Ing, Thielen and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 860) recommending that H.B. No. 139, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 139, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ANAERGIA INC.," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 861) recommending that H.B. No. 619, HD 2, as amended in HD 3, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 619, HD 3 pass Third Reading, seconded by Representative Evans.

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

"Please, a ruling on a potential conflict. I own shares in a utility company based in Hawaii at this point in time," and the Chair ruled, "no conflict."

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

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

"Thank you, Mr. Speaker. Potential conflict, Mr. Speaker. I own some shares of stock in Hawaiian Electric Company," and the Chair ruled, "no conflict."

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

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

"Same request, Mr. Speaker," and the Chair ruled, "no conflict."

Representative Onishi continued to speak in support of the measure, stating:

"I vote in support."

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

"Mr. Speaker, same request," and the Chair ruled, "no conflict."

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

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

"Thank you, Mr. Speaker. Potential conflict. I'm a ratepayer of Maui Electric Company," and the Chair ruled, "no conflict."

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

"In which case, despite the still ambiguity of whether or not this can be applied to the current docket, I stand in support as a ratepayer. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 619, HD 3, entitled: "A BILL

FOR AN ACT RELATING TO THE MERGER, ACQUISITION, AND CONSOLIDATION OF ELECTRIC UTILITIES," passed Third Reading by a vote of 51 ayes, with Representatives Jordan, Oshiro, Say and Tokioka voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 862) recommending that H.B. No. 623, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 623, HD 2, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE STANDARDS," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Fukumoto Chang, McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 863) recommending that H.B. No. 1296, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1296, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Ruling on a potential conflict. I am a shareholder in a renewable energy company. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1296, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 864) recommending that H.B. No. 1393, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1393, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

At 10:41 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1469, HD 1
H.B. No. 139, HD 1
H.B. No. 619, HD 3
H.B. No. 623, HD 2
H.B. No. 1296, HD 2
H.B. No. 1393, HD 2

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 865) recommending that H.B. No. 1394, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1394, HD 2, entitled: "A BILL FOR AN ACT RELATING TO WATER RECLAMATION," passed Third Reading by a vote of 50 ayes, with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 867) recommending that H.B. No. 763, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 763, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 763, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ELDERLY," passed Third Reading by a vote of 50 ayes, with Representative Takayama voting aye with reservations, and with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 868) recommending that H.B. No. 1195, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1195, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1195, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EXPANDED ADULT RESIDENTIAL CARE HOMES," passed Third Reading by a vote of 50 ayes, with Representative Jordan voting aye with reservations, and with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 869) recommending that H.B. No. 1377, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1377, HD 1 pass Third Reading, seconded by Representative Evans.

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

Representative LoPresti's written remarks are as follows:

"Mr. Speaker, this bill addresses the social-emotional development of children from birth to age five. In 2012, the National Survey of Children's Health showed that 31% of Hawaii's children age four months to five years are at risk for developmental, behavioral and social delays. Hawaii's rate is 5% higher than the national average.

"This bill would create a position within the Department of Health to collect data on behavioral outcomes of our younger citizens and provides training and assistance to agencies that actively screen for health developmental problems in the community, such as Easter Seals and Project Vision.

"Needless to say, I support this measure. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1377, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD HEALTH," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives McDermott and Tupola voting no, and with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 872) recommending that H.B. No. 600, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 600, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 600, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY CARE FOSTER FAMILY HOMES," passed Third Reading by a vote of 50 ayes, with Representatives Har, Jordan and Oshiro voting aye with reservations, and with Representative Cachola being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 874) recommending that H.B. No. 1098, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1098, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT," passed Third Reading by a vote of 48 ayes to 2 noes, with Representatives McDermott and Tupola voting no, and with Representative Cachola being excused.

At 10:43 o'clock a.m., Representative Har requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 10:46 o'clock a.m.

At 10:47 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1394, HD 2
H.B. No. 763, HD 1
H.B. No. 1195, HD 1
H.B. No. 1377, HD 1
H.B. No. 600, HD 1
H.B. No. 1098, HD 2

At this time, the Chair stated:

"We are now on page 24. Members, we will be taking House Standing Committee Report Number 880 out of order."

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 880) recommending that H.B. No. 864, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that notwithstanding the recommendations contained in Standing Committee Report No. 880, that H.B. No. 864, HD 2 be recommitted to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

The motion was put to vote by the Chair and carried, and H.B. No. 864, HD 2, entitled: "A BILL FOR AN ACT RELATING TO IN VITRO FERTILIZATION INSURANCE COVERAGE," was recommitted to the Committee on Consumer Protection and Commerce, with Representatives Cachola, Creagan, Hashem and Ichiyama being excused.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 875) recommending that H.B. No. 1384, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1384, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. In strong support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1384, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 51 ayes.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 876) recommending that H.B. No. 1141, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1141, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, with reservations and a brief comment. Mr. Speaker, my concern on this bill is that, well actually this is, I think, a good bill. It provides a tax credit for conversion of cesspools. My problem with the bill is that it does not establish any kind of income criteria, so the tax credits would be available to anyone in the State of Hawaii that does a cesspool conversion, which I don't think necessarily is something that we should be supporting. Thank you."

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

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

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

"Mr. Speaker, in support. I think this bill is the one that would prohibit construction of new cesspools, it's not a tax credit. A clarification, that's all for now."

Representative Onishi rose, stating:

"Mr. Speaker, I'm sorry, I stand corrected. And thank you to the Representative from Kailua for clearing that up for me. It is the wrong bill, so I stand in support. Thank you."

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

"Just reservations, please, and just a comment. I'm just worried about areas that would be very hard to dig a septic system into, especially, I would think, on the Big Island and maybe in the high mountains of Kauai also. Thank you."

Representative McKelvey rose to respond, stating:

"Thank you, Mr. Speaker. I'm in reservations on both bills, so I'm pretty much covered, but I just wanted to have the comments reflected, because the concerns of the prohibition was exactly that, given some of the density issues in some of our areas. Thank you."

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

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

"Thank you, Mr. Speaker. I have great reservations about this because of the geography of Hawaii Island. In the high parts of that island it is very rocky, and my interpretation study of how cesspools and septic systems work is that the cesspools work almost like septic systems in those areas

and actually take care of the waste management thoroughly and without danger.

"In fact, I worked for the State Department of Health for a year investigating these outbreaks, and the only problems I ever saw was with overflowing septic systems, where the tanks filled up and overflowed into other people's yards. I never saw one single cesspool that caused a problem on Hawaii Island. So because of that, I'm voting with reservations. Thank you."

Representative Lowen rose to respond, stating:

"Thank you, Mr. Speaker. In support. We're the last state in the nation in which construction of new cesspools is legal, and according to the EPA, cesspools are used more widely in Hawaii than any other state in the nation. Hawaii Island to my knowledge is the last county in the country still permitting new cesspools. And the parts of Hawaii Island where new cesspools are being permitted are often rural areas also served by individual shallow drinking water wells.

"Recent data does show that there have been cases of contamination of drinking water with human waste, which is very dangerous. Not only can cesspools contaminate streams and drinking water, they also diminish the health of our reefs and ocean resources.

"This bill is important to Big Island, and all the testimony that we have received from Hawaii County has been in support, as well as from Department of Health. It has no impact on existing cesspools, but it would mean that new construction and new development would have to choose options for handling waste water that the scientific community overwhelmingly agrees are safer for the environment and human health. It would also protect residents who are purchasing or building new properties or new homes from a future financial burden in the likely event that the nation or state at some point requires all existing cesspools to be converted to better and safer options."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1141, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CESSPOOLS," passed Third Reading by a vote of 51 ayes, with Representatives Creagan, Har, McKelvey and Morikawa voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 877) recommending that H.B. No. 1286, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1286, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I'm rising in support of the measure, but with a very serious reservation about one provision in House Bill 1286. Mr. Speaker, when you look at the purpose of the bill, it's just excellent. About eliminating Hawaii's dependence on imported fuels for electrical generation, this is excellent, and having utility scale models that place the social and financial interests of Hawaii ratepayers first. Again, it's excellent, putting this into law.

"But then you turn to page 4 of the bill, and this is my concern. It is talking about liquefied natural gas being used as a transitional limited term replacement of petroleum for electricity generation. My concern is, I believe this bill should have said prohibiting liquefied natural gas to be used, Mr. Speaker, in our state.

"What I find is really difficult, it is quite a conflict, where we want to be the greenest state in the nation. And we're really working on that, we're really moving ahead. We're now faced with a situation where we have a utility, a very large utility from the mainland, that plans to buy Hawaiian Electric, our local utility. And NextEra's solar investments in Florida, in

two years, dropped in half. In other words, they're looking at other sources of energy production, and liquefied natural gas is on the top.

"So here we are, Mr. Speaker, trying to be the greenest state in the nation, and then we're going to allow this company, or Hawaiian Electric if it doesn't get bought by NextEra, we're going to allow them to use liquefied natural gas. Yes, it's as a transitional limited term, but we're allowing that.

"So here is green Hawaii saying, okay, we'll bring in the liquefied natural gas. We know that that's developed by fracking, which is a very damaging production. The fracking actually generates greenhouse gas emissions, releases hazardous air pollutants, large volumes of water have to be used, contaminates drinking water, and according to the Ohio Department of Natural Resources, creates earthquakes.

"So it's devastating, but not right in our island. It's devastating to other places in the nation where they take the hit from fracking, their residents take the hit from fracking, the health hazards, and then we bring the LNG into Hawaii, trying to maintain our green image and our green energy reputation.

"But what we're doing, let me just talk about a couple of places, what we're allowing to be done. There's a small area called Avella in Pennsylvania, and the fracking fluid caught fire and exploded, with flames going 200 feet in the air, burning for six hours, producing a thick black smoke cloud visible 10 miles away. Soil then sampled on the site contained arsenic at 6,430 times the permissible level, and there were other very difficult, damaging occurrences.

"Granger Township in Ohio, another place that we would trash or is being trashed from fracking."

Representative Fukumoto Chang rose to yield her time, and the Chair "so ordered."

Representative Thielen continued, stating:

"Thanks, Mr. Speaker. I will note this is my only time I'm speaking today, so I hope you'll bear with me. I'm really concerned, Mr. Speaker. Here's Pavillion, Wyoming; Bainbridge, Ohio; Bradford Township, Pennsylvania; Muncy, Pennsylvania. These places are really getting hammered by the fracking that is going on. These are people that are just having health hazards, their towns are really damaged, they're places you would not want to go, you would not want to live. So how can we in Hawaii say, oh it's okay, we'll use LNG for a limited time as a bridge? It's a bridge over troubled waters. It's a bridge over polluted waters.

"We shouldn't, as a green state, say it's okay to let other areas be damaged. We'll just bring that in here and use it. Instead, Mr. Speaker, this bill should have a prohibition on it. We should look to the resources that we have. NextEra is cracking down and using a much smaller amount of solar now. We shouldn't let that happen if they end up buying the utility. We should mandate that the solar connections continue and expand far beyond that.

"We have ocean energy, the wave energy converter has been put off shore, Marine Corp Base Hawaii. Two more are in the process of being deployed. Those will all be in the water this year. Each island can produce great amounts of power from using the resources in the ocean. We have the solar, as I've mentioned, we have wind, and now with buffer zones it could be more palatable in areas. We have geothermal on the Big Island.

"LNG should not play a role in Hawaii, Mr. Speaker. We should take this firm green approach, no LNG allowed in Hawaii to be brought in. And then, Mr. Speaker, we can say Hawaii is a green state and Hawaii isn't harming other areas in our nation to serve our energy needs.

"So I support all of the provisions with the exception of the LNG in this bill, Mr. Speaker, and I would like Members to look at this and think about what we should truly be doing to be leaders. Thank you."

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

"Standing with reservations. I'd like the words of the previous speaker entered into the Journal as if they were my own. I just want to add a couple of things. LNG, the production of it through fracking, oftentimes the methane produced is not calculated into the greenhouse gas emissions, which by some measurements by objective sources say that LNG production and use is dirtier than coal.

"Secondly, the phrase that the previous speaker was really talking about is, exporting the pain. Do we as people in Hawaii want to export the pain of the production of LNG to our fellow citizens on the mainland? And I say no to that. Thank you."

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

"Thank you, Mr. Speaker. In support with reservations, brief comments. First of all, may I please have the very passionate words of the Representative from Kailua entered into the Journal as if they were my own? May I please also incorporate the words of the speaker from Ewa Beach? And, Mr. Speaker, just one other follow up, one brief point. Following up on this issue of LNG, the fact of the matter is this. We would be making millions of dollars in infrastructure investment only for a temporary bridge type of energy. That doesn't make any sense. It doesn't make sense long term for the ratepayer. In addition, Mr. Speaker, I would like to request permission to enter written comments into the Journal. Thank you," and the Chair "so ordered." (By reference only.)

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in support with reservations to House Bill 1286, HD 2. The purpose of this measure is to amend the State's objectives and policies relating to energy facility systems, including a policy of ensuring that fossil fuels such as liquefied natural gas be used only as a transitional, limited-term replacement of petroleum for electricity generation, and not impede the development and use of renewable energy sources.

"While the intent is certainly laudable, my reservations stem from House Bill 1286, HD 2, page 4, lines 10-14, which allows LNG as a temporary bridge fuel based on the flawed premise that it is a 'cleaner' fuel than what we are currently using. If we were to look only at the tail pipe of an LNG car or the smoke stack of a LNG power plant, this may certainly be true. Those purporting that LNG is a 'cleaner' fuel are the utilities themselves – a claim that is clearly not supported by science. 'Tailpipe emissions' espoused by LNG advocates do not reflect the full life cycle of LNG production that also include extraction, transmission and storage.

"Efforts by scientists such as Robert Howarth of Cornell University have attempted to look at the life cycle greenhouse gas contributions that natural gas make to the environment. Key to this discussion is that methane is a greenhouse gas that is 35 times stronger than carbon dioxide in greenhouse gas, and has a major effect on global warming. Estimates and calculations by scientists of emissions from the extraction, transmission, storage and eventual burning of natural gas estimate that the contributions of natural gas to global warming are two to four times larger than expected. Furthermore, even based on the best case scenario, the contributions of natural gas to climate change would be worse than the fuels (diesel, industrial fuel oil) that they are being used to replace.

"It is understandable that many advocates of LNG would like to use it as a replacement fuel – it is cheaper than their current fuel sources. However, with the knowledge and understanding of cutting-edge science, the use of LNG would only accelerate the rate of climate change.

"Mr. Speaker, as an island state, we are all too aware of the effects of climate change. These tangible and measurable effects wash away the sand of our world-class beaches, and rob our aquifers of ground water that should be stored for future generations. It is irresponsible and short-sighted for the Legislature to carve blanket exemptions for LNG – particularly when it will only accelerate the environmental degradation of our state.

"For these reasons, I remain in support with reservations. Thank you, Mr. Speaker."

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

"Thank you, in support. Just very briefly, I'd just like to note that of anybody I'm the least probably happy with our imports of fossil fuels, whether they're oil, LNG, coal, what have you. Right now as we go through this transition period there's a lot of questions out there, there's a lot of uncertainty as to what the cost globally of our imported oil, imported LNG, and other fuels are. So we need to take a broad approach looking at what those costs might be.

"I think the jury's still out on that, but in the meantime, there's nothing on the books. Nothing on the books in statute or in constitution that prohibits the import of liquid natural gas. This would be the first step the State takes, it'd be an incredible step nationwide, to ensure that we don't replace our dependency on oil with a long term dependency on imported liquid natural gas.

"And secondly, it takes a big step forward ensuring that no matter what our utility looks like, no matter what its model is, what sort of fuel it imports, it puts the interest of ratepayers first, and that's something that we should absolutely have in our long term planning. Thank you very much."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1286, HD 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," passed Third Reading by a vote of 50 ayes to 1 no, with Representatives Har, Ing, LoPresti and Thielen voting aye with reservations, and with Representative McDermott voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 878) recommending that H.B. No. 586, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 586, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 586, HD 2, entitled: "A BILL FOR AN ACT RELATING TO USE OF TOBACCO PRODUCTS AND E-CIGARETTES ON HAWAII HEALTH SYSTEMS CORPORATION PREMISES," passed Third Reading by a vote of 50 ayes to 1 no, with Representatives Keohokalole and Oshiro voting aye with reservations, and with Representative McDermott voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 879) recommending that H.B. No. 1008, as amended in HD 1, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1008, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BLIND PEDESTRIAN SAFETY," passed Third Reading by a vote of 51 ayes.

At 11:06 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1384, HD 2
H.B. No. 1141, HD 2
H.B. No. 1286, HD 2
H.B. No. 586, HD 2

H.B. No. 1008, HD 1

At 11:07 o'clock a.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 11:17 o'clock a.m.

LATE INTRODUCTIONS

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

Representative Har introduced Mr. Alan Shinn, Executive Director, Coalition for a Drug-Free Hawaii; Captain Jason Kawabata and members of the HPD; Ms. Eva Andrade, President, and Pastor Allen Cardines, Jr., Director of Community Relations, Hawaii Family Forum; and Mr. Adrian Kamali'i, President, Pae 'Āina Communications.

Representative Hashem introduced 5th grade students of Wilson Elementary School: Taylor Amalato, Cade Amine, Dristen Canaday, Ysabelle Carrel, Riena Choy, Breanna Chun, Jussell Cullen, Emi Dubrawski, Kolin Fukuki, Shyla Funada, London Fletcher Galapate, Isis Griffith, Leilani Hoffmann, Sela Kimura, Brian Le, Kainoa Lee, Jeremiah Mauricio, Caylamae Murphy, Joshua Oh, Jase Oshiro, Ashton-Jacob Sanchez, Mia Tanioka, Matthew Tin, Hokulani Topping, Treyson Viela and Ella Ann Wong; teacher, Ms. Roxane Yi; and educational assistant, Ms. Savaliolefilemu Suni.

Representative Ward introduced Mr. Steven Melendez.

Representative Tokioka introduced Ms. Karey Kapoi, Hospital Management Officer, Maui Memorial Medical Center.

Representative LoPresti introduced his Office Manager, Jaco Gallarde.

Representative Morikawa introduced from Kauai: Mr. Gerald Ako, husband of her staffer, Mia.

Representative Har introduced Ms. Flo Kong Kee, Government Affairs Specialist, UPW.

ORDINARY CALENDAR

UNFINISHED BUSINESS

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 881) recommending that H.B. No. 825, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 825, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

"Thank you, Mr. Speaker. I would like to note my serious reservations on this measure. Just a few words. Mr. Speaker, the reason why I'm rising with reservations, I have to say this, is I believe that this solution is not much of a solution and almost seems kind of, to me, to be not a very serious take on a very serious problem with TVRs. To split jurisdiction between a state agency and licensing regime and the county planning departments, with no accountability to either, is going to create the most finger pointing situation for this problem you've ever seen, Mr. Speaker.

"The biggest issue with this is that, Mr. Speaker, we have a situation where the Department of Taxation can't even share the information with the Real Property Division, which would give you a correlation of who is

not paying their GET and TAT. A very simple approach. Despite bringing this up during the hearing on this bill, the proponents of this measure refuse and still continue to bifurcate the responsibility between the State and the counties. And for all the neighborhoods that are suffering for this issue, I think what we're going to see is a lot of nothing, Mr. Speaker. Of more finger pointing, more, well it's the county's job, it's the DCCA's job.

"Also one other thing, all programs people in DCCA are funded by the licensees themselves through fees. So not only are you going to have bifurcated enforcement responsibility, but you will have a GET, a TAT, and now a new licensing fee on top of all of that. That's why I stand with reservations, Mr. Speaker."

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

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

"Mr. Speaker, brief comment with reservations. Mr. Speaker, as the learned gentlemen from Maui said, there's some flaws in this thing in terms of how it's going to work. In a sense it's good that we're going to register the TVRs, that's something long and inevitable that's going to happen. But my problem is that when we crack down on these, quote, 'illegals', we fine them \$10,000. Ten thousand dollars is a bit severe. We're trying to get people to come in and sign up, and I keep citing the Kauai plan, what is it, the immunity plan, the amnesty plan. Get those who are out there illegal, the, quote, '15,000 or 20,000 who are illegal', give them amnesty, bring them in, but now we've got this huge stick. Hey, if you don't do this, we're going to give you a \$10,000 fine, versus, come on we'll clear the slate, we'll get on with it.

"So, Mr. Speaker, there's a better way to do public policy than the way this bill is doing it. And I think the amnesty model, and not clubbing them but giving them a bit of, instead of the stick, a bit more carrot, would go a long way. Thank you."

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

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

"Thank you, Mr. Speaker. In support. In my opinion, Mr. Speaker, there's not any flaws in putting together a bill that, especially on Oahu County, a county of perhaps 900,000 people, for over 30 years the County has avoided this issue. And to simplify this, what we want to do is if you have a business on Oahu, you should be registered with DCCA. And people who are renting these vacation rentals, they're not registered as a business.

"So step one is to register them as a business and then see that they pay their fair share of TAT, and then like all other businesses and all other properties on whatever island you are on, you'll follow those county's rules relating to zoning. Thank you, Mr. Speaker."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 825, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Fukumoto Chang, Jordan, Lowen, McKelvey, Pouha and Ward voting aye with reservations, and with Representatives McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 882) recommending that H.B. No. 1327, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1327, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1327, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY," passed Third Reading by a vote of 49 ayes to 2 noes, with Representative Jordan voting aye with reservations, and with Representatives McDermott and Rhoads voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 883) recommending that H.B. No. 197, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 197, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 197, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX," passed Third Reading by a vote of 50 ayes to 1 no, with Representatives Keohokalole and Rhoads voting aye with reservations, and with Representative Cullen voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 884) recommending that H.B. No. 999, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 999, HD 2 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 999, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX," passed Third Reading by a vote of 49 ayes to 2 noes, with Representative Jordan voting aye with reservations, and with Representatives McDermott and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 885) recommending that H.B. No. 562, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 562, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

"Thank you, Mr. Speaker. In opposition. This bill requires crosswalks at arterial street intersections, and although I do believe very much so in the safety of our pedestrians, I do have issues with adding crosswalks in without lights. I think in the best case scenario, you have a crosswalk with a traffic light so that the pedestrians can cross safely with the coming cars alerted with a red light that they are to stop.

"I think of different roads across town, places like King Street, where there are crosswalks without lights, and particularly in my district, Pali Highway, if you can believe it or not, there are intersections on Pali Highway with crosswalks without a light. Many of the residents have complained to me that there needs to be lights there in order to protect them crossing the street.

"However, again, this bill would require it, and I think that if you require it and then add a light at every one of those intersections, you'd see traffic crawl to a stop. For those reasons, I'm in opposition. Thank you."

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

"I stand in support. Just to inform my colleagues, the bill only adds a crosswalk at an arterial intersection with another arterial street. What that means are primary roadways. So if Pali Highway for example is one, I think the first arterial in town would be maybe School Street, and the next one wouldn't be until Kailua.

"So, we all know, I think everybody in the Chamber is aware that pedestrian fatalities are high. The bill improves pedestrian safety, but it does it with a small step, to just make sure that new arterial intersections with other arterial streets have at least one safe way to cross north, south, east and west. Thank you."

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

"I stand in opposition. Forty-seven thousand sixty-seven pedestrians were killed by automobiles from 2001 to 2011. Fifty-two percent of these were on arterial roads. In urban areas like Honolulu, 60% of pedestrian fatalities took place on arterial roads. And this is not because of a lack of crosswalks. Anybody, these neighbor island guys, including me, who have to live in Waikiki, we take King Street, there's six lanes, someone starts crossing the road, cars start braking, you don't see the person crossing the road because the cars are blocking, especially if they're lifted trucks and you're in a little Civic, and you're going 40 miles an hour, you've got to slam the brakes as soon as you see them. It's extremely, extremely dangerous.

"It's not because of a lack of crosswalks, it's a lack of complete street planning. Slower is better. The effectiveness of a road is measured by how many cars get through it, how many cars it moves, people it moves, in an hour. The ideal speed is around 30 to 40 miles an hour to get more cars through, believe it or not. Not 50, not 60. So we need complete street planning. This is what we passed in 2006 for policies, and we need to adapt roadway geometry, place appropriate signals and medians, widen sidewalks when it's appropriate, have roundabouts in lieu of intersections or stop lights, create pedestrian crossing islands, consolidate or eliminate driveways, implement pocket parks between buildings connected by midblock chokes, rezone when needed for denser development. But sans these things, crosswalks will gravely endanger Hawaii's pedestrians.

"And on the flipside, think about rural areas like Big Island or certain areas of Maui where there's no pedestrians at all, there's not even any sidewalks. This bill fits in the category of one size does not fit all, and it goes against master planning and complete streets, and for these reasons I stand, respectfully, in opposition. Thank you."

Representative Jordan rose to respond, stating:

"Thank you, Mr. Speaker. Still with reservations. And noting that I just had a pedestrian hit in a crosswalk which was unlit less than three weeks ago in very serious condition, may I please have the words from the Representative from Maui entered into the Journal as if they were my own? But still with reservations. Thank you, Mr. Speaker," and the Chair "so ordered." (By reference only.)

Representative LoPresti rose to respond, stating:

"Second time in support. So just to clarify some of the intent as well. On the west side of the island where I live, there's very rapid development. And some of these developments are having arterials intersect with

arterials without these crosswalks. And so it's really a measure to help with complete streets. It's really an integral part of complete streets.

"The way pedestrians move in neighborhoods, like a suburban neighborhood, it's very easy to get around as a pedestrian. The problem comes when you hit an arterial boundary, then it becomes dangerous or prohibitive sometimes to cross over to another area where pedestrians are free to move about. And so one of the necessary steps for pedestrian safety is to provide those safe bridges between a safe walking neighborhood to another safe walking neighborhood, and that, of course, requires crosswalks. Thank you."

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

"Based upon the remarks by the Representative from Maui, I am supporting this measure with reservations. I agree that probably a traffic study is more appropriate, rather than us legislating crosswalks. Thank you."

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

"Thank you, with reservations. I think this is well intended, but it does take an aspect of complete streets out of context, and the whole idea of complete streets is to look at all the pieces of it together and look at the big picture. I'd also like to ask that the comments of the Representatives from Liliha and Kihei be inserted into the Journal," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 562, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CROSSWALKS," passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Jordan, Lowen, San Buenaventura voting aye with reservations, and with Representatives Fukumoto Chang, Ing, Kong, Ohno, Pouha and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 886) recommending that H.B. No. 1154, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1154, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, in opposition. Mr. Speaker, I've spoken regarding the burdens on the middle class, and this one, I think, is a reminder of the sticker shock that we've given the middle class of Hawaii. Sticker shock in terms of increased registration fees, increased weight fees, almost to 100%. And that was like two or three years ago and it's now just catching up, and there's a lot of anger out there about that.

"This is a good intention for the disabled. We obviously have to help and get their stickers and get the thing processed, but that should be paid by the DTS and the DOT, it shouldn't come out of another middle class killer like this, Mr. Speaker. The problem is, we just don't know when to stop nickel and diming all of these things, and right now there's a lot of anger out there. Because of that, this is the second middle class killer bill for today. Thank you."

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

"Thank you, Mr. Speaker. Slight reservations. Back in 2011, we raised that vehicle registration fee, we doubled it from \$20 to \$45 actually, so the DOT actually gets \$20 more and \$5 goes into the Emergency Medical Services Fund. I too don't like the idea of raising more taxes on people, but I think I was more for the possibility of maybe reducing the DOT's portion to \$39 and giving the dollar back to the DCAB fund.

"I think the DOT has a responsibility to fund this, and they're only asking for about half a million dollars. And if the DOT could work it out, I think that would be the better solution instead of placing the burden back on taxpayers. Thank you, Mr. Speaker."

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

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

"Thank you, Mr. Speaker. In support. With the aging population and the projected increase in the number of individuals who are eligible for these parking placards, the parking program administered by DCAB, it's basically for persons with disabilities, will become a significant expenditure for the General Fund. By having this conversation, Mr. Speaker, we are just trying to ensure continuation without tapping into the precious limited A Funds which could be utilized for other important programs and services for our communities.

"Currently, DCAB and DOT are having ongoing offline discussions, conversations to address future funding for this important program without affecting our State Highway Fund, or if it needs to be touched at all. So Mr. Speaker, I'd like to remind the Members that the bill is blanked out to keep this conversation going. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1154, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FUNDING FOR PARKING FOR DISABLED PERSONS," passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives Johanson and Morikawa voting aye with reservations, and with Representatives Fukumoto Chang, Ing, Lowen, McDermott, Ohno, Thielen, Tupola and Ward voting no.

At 11:38 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 825, HD 1
H.B. No. 1327, HD 1
H.B. No. 197, HD 2
H.B. No. 999, HD 2
H.B. No. 562, HD 2
H.B. No. 1154, HD 1

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 887) recommending that H.B. No. 1471, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1471, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, in opposition. Mr. Speaker, this bill could have been a chance to save money for the middle class. Instead, it's a tax increase. Instead of bringing in the LNG and the coal and giving us a break on the highest cost of energy in the nation, this puts a tax on LNG, a tax on coal. Now, notwithstanding what my learned colleague from Kailua said recently on this Floor, 40% of the electricity of America uses LNG. I'm sure Hawaii is not going to save the nation if 40% is already using LNG. And by the way, LNG has been around long before fracking came around. Fracking is a rather new phenomenon, so I think we shouldn't feel guilty about LNG.

"But I think we should feel guilty about raising the tax on something that if it's a bridge or if it's permanent, if we can save ratepayers money when they turn on their lights, we should be doing that, Mr. Speaker. The point is, this turns it actually on its head, it is the opposite of the way that it actually should be. The amount of electricity that we consume, instead of being less expensive, is going to be more expensive.

"Now I know people will stand up and say, oh it's about tax equity, you tax fossil fuels this way, you've got to tax that one. My point is, middle class equity is being neglected here, and that's why it's middle class killer bill number three for the day. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1471, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE FUNDING OF GOVERNMENT PROGRAMS," passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives Fukumoto Chang, Matsumoto, McDermott, Tupola and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 888) recommending that H.B. No. 145, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 145, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. In opposition. We have tax credits for research and development to bring our economy into the 21st century. We provide tax credits for PV to reduce our dependence on oil and fossil fuels. With the many financial needs that our state faces, I cannot support an income tax credit for cigar producers. Thank you."

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

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

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

"Thank you, Mr. Speaker. With reservations. Can I also ask for a point of information? The Senate finished 10 minutes ago. Thank you, Mr. Speaker."

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

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

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

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

Representative Tupola rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered." [Note: Representative Tupola later changed her vote to a no vote.]

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 145, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 44 ayes to 7 noes, with Representatives Jordan, Keohokalole, LoPresti, Oshiro, Pouha, San Buenaventura, Tokioka and Ward voting aye with reservations, and with Representatives Fukumoto Chang, Kobayashi, Ohno, Onishi, Rhoads, Thielen and Tupola voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 889) recommending that H.B. No. 968, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 968, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 968, HD 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY FOR AMOUNTS PASSED ON AS TAX," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Choy, Har, Jordan and Oshiro voting aye with reservations, and with Representatives McDermott and Tupola voting no.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 890) recommending that H.B. No. 253, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 253, HD 2, entitled: "A BILL FOR AN ACT RELATING TO VACCINATIONS," passed Third Reading by a vote of 51 ayes.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 891) recommending that H.B. No. 737, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 737, HD 2 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 737, HD 2, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY INSURANCE," passed Third Reading by a vote of 51 ayes, with Representative Jordan voting aye with reservations.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 892) recommending that H.B. No. 271, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 271, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. Potential conflict. I'm an owner of a time share," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 271, HD 2, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING," passed Third Reading by a vote of 51 ayes.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 893) recommending that H.B. No. 727, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 727, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 727, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH INSURANCE EXCHANGE," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Har, Pouha, San Buenaventura and Tokioka voting aye with reservations, and with Representatives McDermott, Tupola and Ward voting no.

At 11:46 o'clock a.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1471, HD 2
H.B. No. 145, HD 1
H.B. No. 968, HD 2
H.B. No. 253, HD 2
H.B. No. 737, HD 2
H.B. No. 271, HD 2
H.B. No. 727, HD 2

LATE INTRODUCTIONS

The following late introduction was made to the Members of the House:

Representative Lee introduced Mr. Randy Iwase, Chair, Public Utilities Commission.

ORDINARY CALENDAR

UNFINISHED BUSINESS

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 894) recommending that H.B. No. 501, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 501, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, SCR 894, strong support with written comments. Thank you."

Representative Tsuji's written remarks are as follows:

"I rise in support of HB 501, HD 1. This bill would assist farmers and ranchers in remaining competitive and self-sustaining by providing them with the means to request, and the PUC the authority to approve, preferential rates for water, electricity, and freight transport for agricultural activities on lands within an agricultural district.

"This is a frequent request from the agriculture industry because such rates would greatly curtail farming expenses, and also hopefully encourage more people to begin, or continue to farm."

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

"Thank you, Mr. Speaker. Potential conflict of interest. Farmer, small business owner," and the Chair ruled, "no conflict."

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

"Same request, please," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 501, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Third Reading by a vote of 51 ayes.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 895) recommending that H.B. No. 837, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 837, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Standing with reservations, just some brief comments. My reservations stem from the fact that I believe this should be a complete ban. I am appalled by the concerns of some that would care more about the buying and selling of trinkets than about the annihilation of majestic species on this planet. Thank you."

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

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

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

"Thank you, reservations and just a comment. My reservations are just for the department's capability of getting the registration of all these people and whether they have enough resources. Thank you."

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

"For different reasons, but with reservations. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 837, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE CONSERVATION OF ANIMALS," passed Third Reading by a vote of 45 ayes to 6 noes, with Representatives Cachola, Keohokalole, LoPresti, McKelvey and Morikawa voting aye with reservations, and with Representatives Har, Kobayashi, Matsumoto, McDermott, Tupola and Ward voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 896) recommending that H.B. No. 483, as amended in HD 1, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 483, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 483, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN RESOURCES," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives Jordan, Oshiro and Tokioka voting aye with reservations, and with Representatives Har and Tupola voting no.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 897) recommending that H.B. No. 458, HD 1, as amended in HD 2, pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 458, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives McDermott and Tupola voting no.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 898) recommending that H.B. No. 459, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 459, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. I will have reservations on this measure at this particular time. It does have a defective date, but at some point in time if this continues I will have to change my vote. But right now I'll be with reservations. Thank you, Mr. Speaker."

Representative McDermott moved that H.B. 459, HD 2 be recommitted, seconded by Representative Ward.

At 11:50 o'clock a.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:00 o'clock p.m.

At this time, the Chair stated:

"Members, we have a motion before us, it has been seconded, a motion to recommit. This is for Stand. Com. Report Number 898, House Bill 459, House Draft 2.

"We're going to be listening to the debate on the motion to recommit, but Members, may I inform you to please confine your remarks to the recommittal. The question is whether or not the bill should be recommitted, and this is an example. For example, if you are against recommittal, if you support the bill, if you're against recommittal, a Member may state something to the effect of, 'this bill doesn't need any more work, therefore it should pass out and not be recommitted,' hypothetically. If you are in support of the recommittal, if you're against the bill, you may say, 'this bill needs more work and I still have concerns with it, therefore I support the motion to recommit the bill.' Just examples.

"You cannot speak on the merits of the bill on the motion to recommit. That's when we talk only on the bill, should this recommittal fail. Understood? Okay, let's go to the debate."

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

"Thank you, Mr. Speaker. I just wanted to make sure everybody was awake today. And I made my good friend from Kauai a little angry, I jammed up his lunch schedule. I apologize for that."

At 12:02 o'clock p.m., Representative Souki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:03 o'clock p.m.

Representative McDermott continued, stating:

"Thank you, Mr. Speaker. This measure needs to be recommitted quite simply because it has no public support. This measure needs to be recommitted because the Department of Education doesn't want it. This measure needs to be recommitted because the public all over the State rejected something similar last year, but at an older age. This bill needs to be recommitted because during the Health Committee the testimony was 13 supporters, 54 opponents. Let me say that again, 13 supporters, 54 opponents. You go to the Education Committee, there were 30 supporters and 46 opponents.

"Now, Mr. Speaker, why would we put something like this forward? Why? The public, we're here to serve the public, the public has made their position on this very clear. The Department of Education, who is going to be charged with carrying this measure out, says, we don't want it. But we force it down their throat, you're going to take our social engineering, and we force it down their throat. Why? Why do we do that, Mr. Speaker?

"The public does not want this rubbish, why do we force it down their throat. The Senate hasn't even taken it up. Why do we insist on pushing this through, insist on getting our way? Why do we do that, Mr. Speaker?

"Mr. Speaker, we're putting the cart before the horse. The Department doesn't even have curriculum standards to address what this bill wants to do. There are no standards, K through 6. Why in the world would we create some Frankenmonster and tell the Department to do this? The Department says we don't want it, the public says we don't want it. Yeah, but we know better. Why would we do that? Why would we do that to them, Mr. Speaker? I know my constituents, they don't want this. Why are we doing this?

"Health Committee, 13 supporters, 54 opponents. Education Committee, 30 supporters, 46 opponents. Why? Why do we do this over and over? The community doesn't want it, the parents don't want it, Department of Education doesn't want it, and we don't even have the curriculum standards for it. And nobody has seen the implementing language of the underlying measure because there is none.

"And with those comments, Mr. Speaker, I tried to keep it light earlier but I guess we're going to have to get down to business on the following measure. And at the appropriate time, I'd like to call a roll call vote. Thank you, sir."

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

"Mr. Speaker, I speak in favor of the motion. Mr. Speaker, some may think of today as an unusual phenomenon. Actually, this is the second recommittal. It was recommitted back in the SB 1 days, back in the Special Session. This issue was brought up, we said, oh we're going to take care of it during the session, don't worry about it. That was the first recommittal. Now this recommittal is because, as the former speaker said, we haven't really dialogued sufficiently with the community, because what they know about it so far, they're not in favor of. So I think we need to do a little bit more discussion, a bit more deliberation, and a bit more of wait and see rather than let's rush full forward for this. For those reasons, I think recommittal is a sound judgment."

Representative Belatti rose to speak in opposition to the motion to recommit, stating:

"Thank you, Mr. Speaker. In opposition to the motion to recommit and just very briefly. Mr. Speaker, yes we can look at the numbers, 13 to 54, but we should also look at the fact that many of those in support were agencies that work in this particular area. We should also consider that this bill is a work in progress. Yes, the Senate hasn't taken it up, but this is an opportunity for us to move it over to the Senate, to make it a better bill, to address the continuing concerns as we have vigorous debate upon the content of this bill. Thank you, Mr. Speaker."

Representative McDermott rose to respond, stating:

"Mr. Speaker, still in support of the motion to recommit. Yeah, those agencies who make up the folks who showed up, the 13 and 30, all have a financial interest in this. They're all in the sexology business. They get paid for this, they get paid to create this curriculum. Of course they're going to show up, they're all in the same boat together. These 54 opponents who showed up at the Health Committee hearing are citizens who took time out of their jobs to say, we don't want this.

"But the people with a financial interest in their back pocket showed up. The people who are feeding at the government trough for these programs are the ones who showed up for the supporters, not citizens. Nobody drove in from Ewa Beach, say, hey we really need this, I need my kindergarten child to learn about sex education."

The Chair addressed Representative McDermott, stating:

"Representative, focus on the motion to recommit."

Representative McDermott continued, stating:

"I'm trying to focus on the measure. The 46 opponents in the Education Committee, these are citizens. No financial interest taints their testimony. They came in out of work. They drove in from their communities because they're concerned. They don't want this. If you look at the groups, the supporters, they're all lefties. So, again, I want to recommit this and ask for a roll call vote. Thank you."

Representative Saiki rose to speak in opposition to the motion to recommit, stating:

"Mr. Speaker, I rise in opposition to the motion to recommit. I'd like to make a couple of points. First, recommitment is not appropriate because this legislation has been properly vetted by two committees, both the Health Committee and the Committee on Education.

"And with respect to the proponent's reasoning that we should reject this legislation because the Department of Education opposes it, raises a visceral point for me, which is I wonder if we should continue that line of reasoning with our practice of appropriating funds for Capital Improvement Projects, because there are many instances where Members of the Legislature impose their will on the Department of Education with respect to CIP projects. The Department opposes CIP projects that are not on the Department's matrix or priority list, yet we impose our will and appropriate funds in an attempt to prioritize those projects over the Department's priorities.

"If their line of reasoning stays that we should not enact legislation or advance legislation that the Department opposes, then I would submit that we continue that line of reasoning with our CIP projects. Thank you."

Representative Tupola rose to speak in support of the motion to recommit, stating:

"Speaking in support of the motion. Sitting in the two committees that I sat in, I do believe that we looked through certain things and some things were changed. However, the difference between a CIP project and a curriculum is large. The reason why I believe that it should be vetted out so more parents can get involved is because it has to do with your children. So this is something different where when you're concerned about what your children are going to learn, you want time to make sure that you know what it is.

"So that's my main support is that there were many parents concerned. We can find a win-win solution maybe, but seeing as though this is a curriculum that would touch every DOE school and alternative school, we should possibly give it the chance to be better worked on. Thank you."

Representative Ward rose, stating:

"Mr. Speaker, would the Majority Leader accept a question regarding the recommitment on page 20 of the workforce development bill?"

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

The House of Representatives reconvened at 12:13 o'clock p.m.

The request for roll call was put to vote by the Chair and upon a show of hands, the request was denied.

The motion that H.B. No. 459, HD 2 be recommitted, was put to vote by the Chair and upon a voice vote, failed to carry, with Representatives Belatti and Saiki voting no.

(Main Motion)

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

"Mr. Speaker, I stand in opposition to this measure. Mr. Speaker, I support sex education in the context of a health course that teaches the miracle of human reproduction, but you're not going to get that here. What the proponents of this are going to say is that children need information, skills, education, information, skills, so they can make their life decisions.

"Well, as I've proven, they do get inaccurate information, and I don't know what skills or tools a kindergartener's going to need, a first grader's going to need. Yeah, good touch, bad touch, stay away from weird Uncle Willy. I get that and that's appropriate. But one of the things I've found lacking in all of these things is a predator protection module.

"And, Mr. Speaker, you're going to have to give me a little bit of leeway here because we don't know what's in the curricula, the curriculum. It hasn't been developed. We haven't seen it. We know who writes it, Planned Parenthood. Oh, and they were the medical experts. Planned Parenthood were the medical experts at the hearing, I watched it on the TV. So we don't know what's in the curriculum. I sent my office manager out to look for it, he said he found it in a jar next to Jimmy Hoffa's body outside Detroit suburb, but other than that I haven't seen it.

"So we're going to hear the talking points, information, education, skills, but these are a leftist perspective. It's a leftist pedagogy, it's a sexism pedagogy. It's a pedagogy that doesn't teach about reproduction, it teaches about, you can have sex anytime you want, you're responsible, you're six years old, it's up to you. That's what you're going to get.

"You're going to see same-sex scenarios for first graders. Kindergarteners are going to get reading assignments about two homosexual penguins, and the end of the story is two proud fathers, one lucky chick. How do I know? Because I've seen it. You're going to get for second graders the story, a classic, one of my favorites, Bailey the Boy with 10,000 Dresses, where Bailey's parents are looked at as fools because they're trying to change his behavior. Second graders. Now this, transgenderism occurs in less than 1/10 of 1%, yet we're going to whitewash 100% of the kids with this information. And, Mr. Speaker, you can't tell me I'm wrong because you don't know, because you haven't seen the curriculum, you don't know what's in it. But I do.

"Let's go to Planned Parenthood, because they're the duty experts, they write this curriculum, they're the health experts. Planned Parenthood says third grade is the time to learn about wet dreams, masturbation, rape, and sex work. I've got to plead ignorance, I don't know what sex work is, Mr. Speaker. Nine to twelve-year-olds should understand that male and female

are not defined solely by their chromosomes or genitalia. Everyone has an internal sense of his or her identity, and that sense may not jive with reality or what they see in the mirror. Mr. Speaker, I want to be a pirate. That doesn't make me a pirate. We want to be a lot of things we're not, but that's a departure from reality.

"So you're going to get same-sex scenarios, and of course they'll be exponentially misrepresented. Instead of 2%, they'll be 25% of the scenarios. You're going to see transgenderism introduced to young children who cannot possibly grasp the concept of what that is, the gender identity disorder, the terrible affliction that adults have. There'll be no predator protection, we've seen that.

"Reproduction, forget about it, you ain't going to see the miracle of life. Forget about it. You're not going to be told how babies are made, and why would you. Planned Parenthood writes it, they put no value on the fetus, the embryo, the zygote, any of that stuff, it's not going to be talked about. You're going to be talking about how to have sex, not the biological health course that we all grew up with. This is a sex behavior course, because Planned Parenthood writes it, Advocates for Youth writes it, that's what they put out, that's what they do.

"Aberrant behaviors such as anal sex are going to be talked about. They did it last year in sixth grade, why not fifth grade? And you know what, they won't even tell them the health risks. We pull soda machines off of Farrington High School campuses and other campuses because it may, in some cases, lead to childhood obesity, if the kid drinks too much soda. We tell the youngsters about anal sex. We don't tell them that if you have unprotected anal sex there's an 1,800% greater risk of HIV. We just omit those facts. The experts at Planned Parenthood omit those facts. All these PhDs working on it, they forgot it. Or was it intentional? Of course it was intentional.

"And then on the low end, they don't even talk about anal leakage."

Representative Matsumoto rose to yield her time, and the Chair "so ordered."

Representative McDermott continued, stating:

"Thank you. So they omit the health risks. They just omit them. Why? Because it's politically incorrect. Because if you show a fifth grader, hey and if you do this you have an 1,800% greater risk, holy smokes, they won't do it. Well, that cast the anal sex behavior and the aberrant behaviors in a negative light. And, by the way, some people are going to say, well heterosexuals do it too. Since when has this Body promoted behaviors that are misogynistic in nature and objectify women? Since when did we decide to do that, Mr. Speaker? Misogynistic behavior, objectify women, and then among the homosexuals, omit the health risk. This is sloppy.

"Where's the curricula, what's in the curricula? Steep in the ideology of leftist extreme. And it's not age appropriate. What is the criteria for age appropriate? We have it in state statute. There's no mechanics in here or no mechanism that says a committee, or who will be on that committee, or who actually decides if it's age appropriate. We have the standards, but as I have proven in McDermott Report I and McDermott Report II, the Department of Education doesn't follow the doggone law. And they don't put experts, medically certified, credentialed, educated experts who are experts in the field of behavior, child behavior, child neurologists, child psychologists, psychosomatic medicine, they don't put them on the committee, they put a gym teacher on or a vice principal. That's who they put on these committees.

"This is serious business. We have an epidemic of STDs among young women. How can that be? Across the nation, 32 million girls have STDs. So that's the reason for bringing this in. Highest in minority communities. Guess what, Mr. Speaker, as we've introduced this sex behavior to the young kids over and over across the country, particularly in minority communities where it started, and guess what, they have the worst rates because they get this stuff and they behave in that manner.

"HPV 16, yeah we tell the young girls wear a condom, you'll be safe, your partner has a condom, you'll be safe. They can still get HPV, herpes,

chlamydia, because they're not physically mature until they're 19. Their cervix is not physically mature until they're 19, Mr. Speaker. And we have a doctor here and he can correct me if I'm wrong on that. But we don't tell them. How can you have a sex ed course and not give them the information. I thought this was all about information, education, skills and tools. Your partner has a condom, you're safe young lady. No you're not. Your cervix is immature. It's like a vacuum for these diseases. You don't have the defenses there until you're about 19 years old. We don't tell them that, and then they get HPV, they get chlamydia, they get herpes, and they wonder why. HPV 16 has a 40% rate of cervical cancer.

"This program teaches that at all ages, sexual freedom is a right and a matter of social justice. These experts do not provide teens with all they need to know to make informed decisions, nor medically accurate information. I have proved that. Not one person in the Body here has said, hey I've looked at your report, page 26 was wrong, you got the wrong data. No one said that. Nobody in the media, nobody in the paper.

"They dismissed the fundamentals of child development and omit critical findings of neural biology, gynecology and infectious disease. HIV information is distorted. The psychological distress associated with teen sex, especially when followed by genital infection, is white washed. Nowhere in any of these programs do they talk about the emotions of young people engaged in sexual activity. You mean there's no emotions attached? When a 15 year old boy and girl start having sex, there's no emotions if one breaks up with the other? There's no depression, there's no suicide, there's no anxiety? That is omitted because Planned Parenthood wants it omitted. They write this material. If their priority is our children's health, they must focus on fighting herpes and syphilis, not sexism and homophobia. They must grow up and shed their 1960s mentality in the 21st century. We have an epidemic here."

Representative Pouha rose to yield his time, and the Chair "so ordered."

At 12:25 o'clock p.m., Representative Souki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:27 o'clock p.m.

Representative McDermott continued, stating:

"Thank you, Mr. Speaker. We're going to hear that the kindergartners need this sex education. It's laughably bad when I hear that the first graders need this sex education. Not health, by the way. Human reproduction is not taught. We're going to be told they need the tools, the education, information and tools. For what? First grade, second grade, third grade. I'm not an expert in psychosomatic medicine or a behavioral specialist, but at third grade I want my kids watching Barney, not learning about masturbation, as Planned Parenthood has in here. I don't want that. The people of the State don't want that. They made that clear last year in Pono Choices. And to put a measure like this forward is a slap in their face. A slap in their face.

"Mr. Speaker, people in this building, in this Chamber right here, think I'm crazy. They do. But you go out there, everybody else thinks we're crazy, and I'm the same guy. I can hold my head up when I go to church or I go into a community meeting, and I can defend my position on this in any neighborhood board throughout Oahu. I can do that, Mr. Speaker.

"Yeah, I feel passionate about this. But the responses you're going to hear are information, education, skills and tools. That's all they've got. They've got no specifics. They can't answer anything I said. Can't answer the fact that the citizens came down, don't want it. Can't answer the fact that the DOE doesn't want it. Can't answer the fact that DOE doesn't even have a curriculum standard for this stuff to be implemented. And there is no curriculum. So on that, Mr. Speaker, I'm going to say no, I'm against it, and I look forward to the opportunity to speak on this again. Thank you."

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

"Thank you, Mr. Speaker. I rise in support of the measure. Thank you. I wanted to talk about the specifics of the bill before us. I want to point out

that, first of all, there's a 2050 date on it because I believe the message is clear that we have some more discussion on this and we want to get the input on how to improve the measure and I believe there's a commitment to keep working on it, so I wanted to point that out first.

"Second, it says, 'beginning with the 2016-2017 school year, each public elementary, middle, intermediate, high, and alternative school operated by the department of education shall provide sexuality health education described under subsection (a).' I think it's important to point it out, because this bill is about the future. It's not about what is currently existing and what other people think currently exists. I believe this bill is about how to move the Department of Education forward. That is what this bill is about.

"The third thing is, I did want to comment on why I think it's important to talk about it at elementary, middle school especially. Because some people don't realize that there are sexual predators out there, and there's people that end up on elementary school grounds, or there's people that, maybe there's people that adults, these weirdoes that might be hanging around these children, and what happens when they flash them, they ask them to come over and touch them. Touch me here, touch me there, look at this. I mean, if they have no reality of what's being done, they have no information to make decisions. So I think there is a benefit to this that some people don't want to talk about.

"The other thing I want to point out, the Women's Legislative Caucus, both in the House and Senate, introduced this bill because we, I think as women, realize the importance of protecting our children. For those reasons, I think we should continue the discussion, and I hope that the previous speaker gives us some ideas on how to improve on it, but I don't agree with us killing this idea. I think it should move forward. Thank you."

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

"Thank you, Mr. Speaker. Rising in opposition. I think, sitting through the hearing and hearing all the testimony and some concerns I have as a former teacher is in subsection (c) it says, 'at their own discretion, teachers may answer in good faith any question initiated by a student or students that is reasonably related to and consistent with the material of a course provided pursuant...' meaning that we're giving teachers permission to answer questions.

"Now, as a teacher you should always feel at liberty to answer any question your student asks. So I called the DOE and I asked them, why would this have to be inserted here when teachers should be able to answer any questions? Their concern was that with the previous curriculum that went through, there was a lot of hesitancy on the part of teachers to answer certain questions because of criminal implications for themselves. And so I think that I can see both sides. I can see that possibly it would be necessary. But again, if DOE is saying that their statement was 'sexual health education is a component of our efforts to support student success,' meaning that they have something in place. 'As there are existing policies and resources in place to address this area,' the Department of Education testimony 'suggests that this measure is not necessary.' Now, it's not saying that we couldn't push forward and get them further, however, I think that their reservation is for the safety of their teachers.

"One of the questions we also asked the proponent was, are there criminal behaviors addressed in the curriculum, meaning sex acts that might happen between different ages and the criminal punishment that comes with it, and they said no. That's kind of a concern and that's on both the sides of the teacher and the parents.

"I think also as a teacher and a parent, the buy-in that I see from parents is when they get to create something, because then they're part of it, they came up with it, they thought of it. And so I feel like if they were able to be a part of the curriculum development, maybe they'd be for it. But I've looked at the website of futureofsexed.org and I've read through it, and I don't know if it would be something that people in Hawaii would really want. Whereas, if the people in Hawaii, the parents were able to come together and come up with a curriculum, I'm a huge proponent that the best

education for our children is going to be made within their own community and with their own parents that bring their children to school.

"I do believe that we could find a win-win, but at this point to push and pull against something that seems like the parents don't want, the DOE doesn't want it, then we should just go back and relook at it. How can we make this more successful all around so that we can give education, so that we can protect children, so that we can protect teachers, and so that we can give information that might be vital for peoples' health and safety, but in a way where we agree on it. I think that that's why I stand in opposition, so that we can get a better grip on how we could do this together, with the people. Not against them, with them. And so those are my comments. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. Mr. Speaker, I rise to speak in favor of this bill. One of the important components of this bill is its codifying the new Department of Education policy, which provides that sex education will be an opt-in policy as opposed to opt-out. So prior policy by the Department of Education is unless the parent specifically states that they don't want their kid to participate in sex education, the burden is on the parent to state that they don't want the kid to participate. If you're silent, everyone participates.

"This bill, which now codifies the current department of new policy, which is that in order for a child to participate in sex education, the parent must consent and opt-in. And for somebody like me, I have a 12-year-old, and I know many of you know my son Logan since he was a baby, and he's at that age. Recently I had a conversation with my husband and I said, hey you know, I know the school covered this, but there's certain things maybe you should cover, and he was like, no, no I think the school covered it so I don't want to deal with it. And then so I asked my son, you know son, you must have a lot of questions with body changes, and he's like, no, no, I don't want to talk to my dad.

"So for me I'm kind of thankful that somebody else is doing it, because as far as I'm concerned he's still a baby and I don't want to think he's in puberty, and I think that's kind of similar with all the parents and what they're struggling with. Thank you."

Representative Jordan rose to respond, stating:

"Thank you, Mr. Speaker. Since I guess I was the first one out the gate before we got moved to a different discussion with the reservations, I'd just like to kind of clarify a few things, since I wasn't going to submit written comments on this. First off, I didn't sign this bill. The original version of this bill had the opt-out in it, and I'd like to thank the Health Chair for hearing that discussion, and the Health Committee, and changing it back to opt-in.

"My concern with this measure, Mr. Speaker, is we all heard it last year. There was a certain curriculum that the community was getting very upset with. They went back to the Board of Education and the Department of Education and they stated their concerns. And I've learned in the last four years that we should give the benefit of the doubt to our departments. We should allow them to administer. And I feel that if we should supersede that and say, here, this is the direction you should go in, I think is a non-positive way to go right now. Until those departments can't do what they need to do, we should not micromanage them. And I've been talking about this the last 24 days, and I've been talking about it the last four days. I don't want to micromanage the state departments.

"I believe the Department of Education heard the community loud and clear regarding that certain program last year. They went to the Board of Education. They Board of Education reviewed it, had a task force review that educational component, came back and made a decision. They made a decision to have parents opt-in to this program, and I wholeheartedly support that. Opting in, in my opinion, puts the burden on the parents. If you want to participate in your child's education, then you check the box saying, yes, I want my child to participate.

"Because when we do the opt-out, unfortunately it gives the Department of Education the easy way out, because they'll just blanket opt-out. Less work for the department. Yes, the Department did say when they have to do opt-in, it's a little bit more procedure on their part. But I think it creates that balance of accountability on both sides, our Department of Education, as well as our parents and guardians for these youth. And that's where the win-win is right now.

"So that's where my reservations are. I'm glad the opt-in is in there. I am not comfortable with telling the Department or the Board of Education how they should administer at this point in time. During the testimony from the Department of Education, I asked them, has there been any problems since it's been implemented in August of last year?"

Representative Har rose to yield her time, and the Chair "so ordered."

Representative Jordan continued, stating:

"So basically, Mr. Speaker, we've only been in this for about four or five months. Let's see if it works with our Department of Education, and I'd really like to give them the opportunity to show us that their system may be broken. At this point in time, I haven't seen that. That's where my reservations are. And as the Majority Floor Leader stated, it does have a defective date on it, and that's why I said when I stood up, it has a defective date and we have the ability to have further discussion on this at this point in time. And as long as the Body can have that discussion and the community can come in and state their concerns, I think we can finally remind the Department of Education and the Board of Education, we're watching. So, thank you, Mr. Speaker, for that opportunity."

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

"Thank you very much, Mr. Speaker. In support. First, let's talk about the facts. Hawaii teens rank lowest in the nation when it comes to condom use. Therefore, I think it's very apparent that our students ought to learn that by using condoms it doesn't necessarily prevent pregnancy, but it certainly goes a long way. Hawaii teen pregnancy rate is 9th highest in the country. The average teen pregnancy rate in the country is about almost 30 births per 1,000 women age 15 to 19.

"I'll just give you one complex in the State, the Waianae – Nanakuli Complex. They average over the last five years more than double that. Sixty-eight women, young girls, got pregnant per 1,000 women. So you have a complex in our state, and that's not out of the box, Mr. Speaker, Honokaa, there's many other places in our state where the teen birth rate is through the roof. And by the way, when we talk about a middle class killer, teen pregnancy in our state costs the State \$32 million, and all those dollars, Mr. Speaker, are coming out of taxes, much of it paid for by the middle class. If we were to cut teen pregnancy in half, thereby saving our state \$16 million, that frankly goes into the pockets of our middle class taxpayers.

"Mr. Speaker, the Department of Health does a behavioral youth survey every other year, they do it in odd number years. I highly recommend each member of this Body go to their website and see how students responded, and it ranges from drug and alcohol use, bullying, and all the rest of it. When it comes to sexual behavior, 37% of high school students currently engage in sex, 10% of middle school students. When it comes to parental involvement, Mr. Speaker, according to the survey."

Representative McDermott rose to a point of order, stating:

"Mr. Speaker, point of order. This is a program that talks about sex education in kindergarten, first grade, through fifth grade. Not high school or middle school. Thank you."

The Chair then stated:

"Thank you. Nevertheless, you are on point, so Chair I'm not going to confine you to any further comments. You can continue on your speech."

Representative Takumi continued, stating:

"Yeah, I'll get to the elementary school. Patience is really a good virtue, Mr. Speaker.

"As far as parental involvement, only 39% of middle school students indicated that their parents talked to them, or an adult within their family talked to them about sex. When it came to high school students, only 57%. So, Mr. Speaker, in the ideal world, we want 100% of families and parents talking to their children about sex, healthy behaviors, the risks involved and all of that. But clearly, Mr. Speaker, over 4 out of 10 high school students and almost two-thirds of middle school students said they had no information from their families.

"Let me talk about elementary schools. We've gotten emails that said this should be limited to high school students or maybe middle school students, but elementary school students, oh my goodness, let's not talk about that. Mr. Speaker, the average age when young girls get their first period in the United States is roughly 12 years old, but it ranges from 8 to 15 years old. Mr. Speaker, girls who are 8, 9, 10, the last time I looked, were in elementary school. The sooner these girls learn about their bodies and the way it operates and that they may get their menstrual cycle as early as 8 years old, I happen to think is a good thing.

"Here is a point of clarification. The Department of Education, and this point was raised earlier by an earlier speaker, did not oppose this. They said it wasn't necessary. But you know, Mr. Speaker, there is a compelling state interest for us to state a bottom line policy when it comes to education. We've done that with bullying. The Department of Education has a policy on bullying. We did that with something as trivial as whether or not they can sell soft drinks in vending machines on campus, Mr. Speaker. They had a policy on that as well. We passed a law that said, you cannot sell unhealthy drinks in vending machines. So there's been time and time again where we as state legislators intervene into the Department's policy, because we felt the greater good was served by putting it in statute.

"And by the way, Mr. Speaker, we talk about parental involvement, and much of the emails, most of the emails that came in and said that parents should decide, I think it's been mentioned more than once, but it bears reiterating. Parents opt-in."

Representative Ohno rose to yield his time, and the Chair "so ordered."

Representative Takumi continued, stating:

"If you feel that this policy is not for your child, it is not age appropriate, by all means, Mr. Speaker, do not opt-in. A few weeks ago at King Intermediate School they had a parent's night, 150 parents showed up. They walked the parents through the curriculum that their students would be engaged in when it came to health/sex education. Two parents decided it wasn't for their child, 148 parents said, please, I want my child to participate in this. And I suspect, Mr. Speaker, because the bill requires the Department to come back with a report, I suspect that number would be around that percentage when we see how many parents are going to opt-in to this.

"Last point, Mr. Speaker. We always say that families know what's best for their child. No one disagrees with that. But you know, Mr. Speaker, schools teach about drugs. Schools offer swimming lessons, drivers ed. They offer bicycle safety training, depending on the school. These are all responsibilities, Mr. Speaker, that family should take care of, frankly, but you know what? Schools offer it to students because they know, in many instances, families are unable, unwilling, or simply not able to offer these kinds of services, and we allow the schools to do that. And by the way, parents can opt-out of those activities if they so choose.

"So, Mr. Speaker, whether or not people have concerns about this bill, bottom line is, if parents feel this is not for their child, by all means, do not allow your child to participate. Thank you."

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

"Thank you, Mr. Speaker. I'm rising to speak against the bill. In opposition, and Mr. Speaker, if I can have permission to put my remarks in

the Journal. I just wanted to note that I think much of what our Minority Floor Leader said makes a great deal of sense. Involve the community, work to develop a program that's going to be definitely age appropriate. I'm the grandmother of a five year old, and I would want very much to know what is in that kind of a program. I don't want just the opportunity for the parents to be able to opt-out or to opt-in. I think that it's important that we work together to develop a broadly supported program that is age appropriate for the different age levels. And until that is done, then I unfortunately cannot support this bill. Thank you."

Representative Thielen's written remarks are as follows:

"Mr. Speaker, I rise in opposition to HB 459, which proposes additional elements for Hawaii's existing sexuality health education law and its implementation. While I believe that accurate and age-appropriate health and sex education should be offered to our students, I do not believe that this bill is necessary. HB 459 has not had adequate input from parents, community members, educators, and other stakeholders. Much work needs to still be done on this bill, and, as the DOE has testified, public schools already provide a comprehensive sexual health education that follows the requirements set forth in the Hawaii Revised Statutes (HRS) §321-11.1 and from the Hawaii State Board of Education. I strongly feel that any sex education program should be 'opt-in', allowing parents to review the curriculum before deciding whether or not their children will participate in the optional classes. I also believe that a formal sexuality education program should not be offered to students before the fifth grade. For these reasons, I will vote 'no' on HB 459."

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

"Thank you, I stand in support. First, I'd like to ask that the Education Chair's comments be entered into the Journal as if they were my own. Thank you. I want to begin by applauding the Women's Caucus for introducing this measure. And it continues to evolve, it's an HD 2, so there's a lot of time to make it a better bill. But there is a lot of misinformation about it, and it is worth and it bears repeating that citizens who don't want this, don't want their kids involved, the default position is that they're not involved.

"As the father of two young girls, I want to ensure that they and all of the youth of Hawaii have access to age appropriate sex ed. That's why I'm in favor of this bill. Somebody told me when I found out I was going to be a father and that it was going to be a girl, they told me a joke. They said, well if you have a boy, you've got one boy to worry about. If you've got a girl, you've got all boys to worry about. I've got two girls, and I want to make sure that they and all the boys have the education they need to know about their bodies and their behavior and how to stay safe.

"Without this type of information we would be putting the health and safety of our *keiki* in jeopardy. So I cannot in good conscience put them in jeopardy. I certainly respect the freedom of conscience of some of the Members of this Body and other people in the State who oppose the measure, and again, if they don't want to participate in it or their kids to participate in it, they're already not participating in it.

"The variety of curriculum that can be taught through this measure, it talks about monogamy, it talks about the miracle of birth, it talks about encouraging community and critical thinking skills, it talks about encouraging children to talk to their parents, it teaches little boys and girls also about their private parts and what it means with good touch and bad touch, and it protects them. It protects them in that way. It provides counselors to kids to learn how to talk about the situations that they might be uncomfortable with and learn how to talk about how to say no and if they want to say no.

"As I sat on one of the committees that heard this bill, some of the citizens did come, and take their time to come and support it as well. It was not just citizens who came to talk against it. So thank you Chair, I stand in support."

Representative McDermott rose to respond, stating:

"I do have patience, Mr. Speaker. I had a lot of patience waiting for some of my salient points to be rebutted. Are they going to teach third graders about masturbation? Are they going to teach them about wet dreams? Third graders, Mr. Speaker. We hear about young girls getting their menstrual cycle, okay are they going to tell them about the miracle of life? I don't think so, because Planned Parenthood writes the doggone thing. There is no miracle of life with regard to Planned Parenthood. They just tell you you've got to buy some pads and napkins. That's all they do. I've seen the curriculum.

"Now, I agree with the Majority Floor Leader, good touch, bad touch, predator protection, absolutely, they should be taught that stuff. Except the ones I reviewed except one, they don't have it. So you guys, the other speakers are talking about stuff that doesn't exist. And teen pregnancy and all this, one teen pregnancy is too many, that's in my view. But, Mr. Speaker, these guys, they're not teaching, listen to the remarks, it's a predator protection program that teaches health and biology. That's not what this is. Planned Parenthood teaches a sex behavior program.

"You talk about drugs. We don't tell kids how to roll a joint. What the difference between a big fatty and a blunt is and a pinhead and how to get a roach clip and where to buy zig zag rolling papers. We don't tell them, we just say, don't do drugs, they're bad for you. Monogamy is brought up because a month ago I was on this Floor and said they don't talk about long term monogamous relationships. I said that. The reason there were 150 people at that school is because the ruckus I've been raising the last year. So I anticipate that out of the seven curriculum that are available, that whoever the heck it was at the school picked one of the least objectionable ones. But it's not because we did anything in here.

"So I do have patience, Mr. Speaker, I'm waiting patiently for my points to be rebutted. Thank you."

Representative Tupola rose to respond, stating:

"Thank you. I feel compelled to speak only because my district was called out. So, I realize that in Nanakuli we have high pregnancy teen rates, I get that part. I've sat down with my community, I've asked them what they want, I know that we need something out there, I want them to opt-in. Why won't they? Because of the curriculum. They don't know what it is, and the one that they saw was questionable.

"I realize that when I asked in the Education Committee hearing, I asked the proponents, do you have a community model that we could actually do outside the schools, where the community could get involved and they know what's going on? They don't, it's only for school. We have high truancy rates in my district. A lot of these kids that are engaging in it don't even go to school. I realize that the problem is a little bit bigger in my district than just in school and educating. My concern is also that every teacher will be mandated to teach this, and that's another concern because they're not trained to teach that.

"So those are the small little things that I think we can work out, but again, for my community, they want to get involved, they want to be a part of it. I want everyone to opt-in, but they want to see what the curriculum is and they don't want the one that's being proposed. So if we could please get it to the point where teachers feel comfortable, where the DOE feels comfortable, where they train their teachers so that we make sure that they're telling accurate information because they've been trained to do that, then everyone would feel at rest with it. So, thank you."

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

"Thank you, Mr. Speaker. With reservations and just a very brief comment. I wanted to just reiterate again, this does have a defective date, it is coming back, this House will have an opportunity to deal with this bill again. And I think that the Health Chair has made some good compromises from what this bill originally looked like, and I would like to continue in that vein, I'd like to be a part of that discussion. So that's why I'm with reservations. Thank you."

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

"I'm rising to speak in support with reservations. I'm glad this bill has a way to go, but I take under advisement the remarks of the Education Chair, because he's been involved in this business with our public school system for over a decade now, so I think he knows what he's talking about.

"My concern here is the policy implications of us now getting ahead of, was the Health Chair may have suggested, codifying the policy of the appointed Board of Education. I think we all know what we're talking about. That decision of the board, and I respectfully disagree with the Education Chair, I don't like to get involved in superseding the jurisdiction of the Board of Education in their role as the policymakers for our public education systems. I feel that we don't have the knowledge or the insight as generalists in our legislative capacity, and I tend to, at least in my district, I tend to weigh heavily in on the board's decision at the local school level.

"Two weeks ago I was at one of my public schools, elementary schools, attending a May Day festival, but only now we have May Day festivals in January or February, we call them Aloha Festivals. And they do that so that the end of the year test that the schools must take, they can focus upon preparing the students for those annual tests. They're very important.

"So I went to this Aloha Festival at one of my elementary schools and I sat there with the principal, vice principal, several teachers, and it just came to mind when I was watching a group of young students, I think they were in the first grade, dancing a *hula*. So I asked the principal, how old are these kids, first graders? He goes, I think they're six years old. So when I started to reflect upon the consideration of a measure like this regarding sexuality education or sex education, it dawned on me that I'm not really comfortable, not knowing the details of what this bill might do and whether or not I can entrust the public school system to decide what is appropriate at that level. I don't know if the principal felt the same way I did, but I asked him, do you think your students, these first graders, should be taught about their sexual identity and their sexual roles and sexual practices? And we got into all kinds of other details. He looked at me and he said, are you crazy? You for real? And he was stunned by even me raising the question.

"I don't know if what we need to do is to maybe step back and spend more time working on this amongst the other issues of the day, but this has an effective date of 2050, so like many have said, maybe there's additional opportunities for public debate and comment. But if I had my druthers, I think we'd put this aside for now. Let's put it aside for now, but I'll be going with reservations out of respect for the Education Chair, and I'll wait final judgment upon seeing what this final measure might look like. But I'm not going to lose sleep over this bill not coming back. Thank you."

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

"I rise in opposition and I have a comment. I do appreciate the intent to look out for the best interest of our children. I do also, in the same vein, consider the sacred nature of instruction between guardians and parents and also children as well, myself being a father. So I am mindful of this delicate balance that we're trying to strike, and hope that we can find a way to make sure that these interests are properly balanced. Thank you."

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

"Thank you, Mr. Speaker. Reservations and just a brief comment. I know the chairs are working hard on this bill, but right now it's not quite ripe and ready yet, so for now I'll be going with reservations. Thank you."

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

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

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

"Strong support, may I have the words of the Education Chair entered as if they were my own," and the Chair "so ordered." (By reference only.)

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 459, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives Cachola, Fukumoto Chang, Jordan, Oshiro and Tokioka voting aye with reservations, and with Representatives Har, Kong, Matsumoto, McDermott, Pouha, Thielen, Tupola and Ward voting no.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 899) recommending that H.B. No. 631, HD 1, as amended in HD 2, pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 631, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I'm in opposition to this measure. Mr. Speaker, I'm probably the only one in this Body who shared an apartment, 700-square-foot apartment, with a transgendered individual for about three months. About 30 years ago when my wife and I were first married, one day, we were sharing an apartment with her cousin George, I went out to the living room and I said to my wife, I said, who is that, did George bring home some floozy? And my wife said, that's Leilani. I said, Leilani? Tommy, George's brother. The Samoan term for that is *fa'afafine*, part of their culture. And so Tommy stayed with us for three months. I got to observe it up close and personal, Mr. Speaker. So, I only tell you that because people call me a hater, bigot, homophobe, ignorant, and all the rest. I can't prove a negative, but I can only tell you that fact.

"Now, Mr. Speaker, with regard to this measure here in front of us, we're affirming their distorted view of reality. I prayed for Tommy, I prayed for others who are trapped in this situation where they're born a man, they have a male brain, they have male sexual reproductive organs, but they think they're something else. They think they're a female, of course now we're told you can be anything you want. Across the spectrum, in between, whatever you want. But that's a distorted view of reality, Mr. Speaker.

"And I point to John Hopkins Hospital, no conservative bastion by the way, they pioneered sex change operations, they don't do them anymore because they don't work. And the Chief of Psychiatry, there the retired Chief of Psychiatry who headed it up, said it's a gender identity disorder. What does that mean, Mr. Speaker? That's like Karen Carpenter looking in the mirror, Karen Carpenter looking in the mirror and saying she's morbidly obese. And our reaction is not to give Karen treatment, our reaction is, here's some diet pills, Karen. I mean, it's fundamentally flawed.

"Then you look at, everybody knows what Bruce Jenner is going through right now. World's greatest athlete, 1976. Stud muffin, knee bandaged up, running through to get the gold medal, the 800 meters. Dude was on Wheaties boxes, he was a manly man. No question, world's greatest male athlete. Now he wants to be a woman. And under this measure he is a woman, and there's no trace of it anywhere.

"So this is a cruel hoax, it's social engineering, it's political correctness, just like the previous measure, and this is a distortion of reality, then these people need treatment not a confirmation of their distorted view of reality. So for those reasons, I'll be voting no. Thank you."

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

"Thank you, Mr. Speaker. In support. Mr. Speaker, the decision to amend one's birth certificate is not taken lightly, and individuals that choose to do so have no doubt spent countless years grappling with this decision. This proposed bill would still require a signed affidavit from a licensed medical professional, but it really strikes at the heart, at the requirement for a sex reassignment surgery.

"Doctor Bidwell, Associate Professor of Pediatrics and Director of Adolescent Medicine at the University of Hawaii JABSOM for the past 25 years, notes in his testimony that this requirement of a sex change 'in order for transgender individuals to obtain a change of gender designation on birth certificates is a historical artifact. It is outdated and no longer reflects modern-day medical opinion on what it means to be transgender or the nature of gender transition.'

"We know that the American Medical Association, the American Psychological Association, all support and have policies that support birth certificate laws that do not require gender reassignment surgery for their certificates. In 2014, the American Medical Association issued their statement saying that they support policies that allow for a change of sex designation on birth certificates based upon verification by a physician that that individual has undergone gender transition according to applicable medical standards of care. That's what this proposal does. For those reasons, Mr. Speaker, I'm in strong support of this bill."

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

"Thank you, Mr. Speaker. In opposition. I wanted to share, since I know there's some proponents of the bill here, on what I did as far as researching since the hearing until now. I did vote yes out of committee. Something that compelled me when the proponents of the bill came is that some of the transgendered were from my district. And honestly, after hearing their stories, I was moved because of the discrimination, and so I sat down with them, called some of my other transgendered friends. I feel strongly against discrimination, I feel strongly against mistreatment. My concern was that no one was helping them on the level of discrimination to fight it, with TSA or other events that they have had.

"At the heart of what's going on is the treatment that they're getting when they show their ID, that's where it's stemming from. And so they want an ID that reflects what they are, and that's what a lot of my transgendered friends spent hours of time telling me. The thing that kind of comforted me after we spoke was that there is a process available to them at the driver's license level, and so some of them have done it already.

"But I talked with the vital records department at the Department of Health, and they also came forward and described to me the vital records would be a verification of events at birth, and that our nation, our state, has long years of keeping very accurate records. In fact, our vital record expert here in Hawaii used to work for the federal government.

"My concern also is, when I sat down with the Attorney General, was would there eventually be a repeal of same sex marriage, because now this would be a heterosexual marriage, and that's the certificate you used to get married.

"Those were my concerns. It was kind of all wrapped into one, but my main concern was that at the discrimination level, that they got justice and that they were treated fairly. And so I felt that voting in opposition would be okay if they were getting justice at a different level for what they needed to, and that I would be there to fight for them against that discrimination in other areas. So, those are my comments."

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

"I stand in support. To follow up on the Representative from Nanakuli, she makes an excellent point about the IDs of transgendered individuals sometimes not matching up with how somebody might perceive that individual. It leads to violence, it leads to violence every day for transgendered people. And while the Representative from Nanakuli is right, that maybe there are mechanisms in place for citizens in Hawaii to use, if they're born in Hawaii and they move somewhere else, they have to rely on their certificate of live birth to get those IDs, and then they face the same problems.

"To change gears a little bit, for those who may have difficulty in understanding the difference between 'gender' and 'sex', and there is a difference, I want to focus on the anatomical argument for it, because there is an anatomical argument for this bill as well because it provides a clearer

way for hermaphroditic individuals, more commonly known today as intersex individuals, to correct mistaken recorded gender identity, and that way they can correct vital records. This bill also allows them to be who they are in life and on paper and, Mr. Speaker, I believe that it's an important bill. Thank you."

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

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

"Thank you, very briefly in support. I'd just like to note that vital records at DOH is open to making the change, which really just modernizes our existing law with respect to a largely misunderstood segment of our population. I'd just like to point out that six states and the District of Columbia are already making these changes to put their laws in compliance with what makes sense.

"I'd just like to read very briefly the testimony of the Hawaii Commission on the Status of Women, which said, 'the majority of transgender people do not choose to undergo sex reassignment surgeries for various reasons, including prohibitive costs and other medical and personal reasons. Under internationally accepted clinical standards, transgender individuals may opt for hormone therapy and other treatments. The international medical community recognizes that surgery may be appropriate for some, but not for all.'

"This bill attempts to modernize our laws without retaining an outdated notion of what it means to be transgender. Thank you very much."

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

"Briefly in support. There's been a few statements regarding transgendered people and whether or not their condition is a mental illness. Homosexuality was diagnosed in the DSM as an illness until 1973. It was removed in 1987, but gender identity disorder persisted until the DSM-5, which only came out a couple years ago by the American Psychological Association. Gender identity disorder characterized all transgender people as mentally ill. Based on the standards to be set by the DSM-5, individuals are now diagnosed with gender dysphoria for displaying a marked congruence between ones experienced and expressed gender and assigned gender.

"So when we're talking about science, let's please not focus on statements and articles from the '70s. In the respect for science, we've got to know what the most recent peer reviewed and associational statements are. Jack Drescher, who is a member of the APA subcommittee working on the revision, stated that 'all psychiatric diagnoses occur within a cultural context. We know there is a whole community of people out there who are not seeking medical attention and live between the two binary categories. We want to send a message that a therapist's job is not to pathologize.'

"And these binary categories were really created under the notion that a previous speaker mentioned about Bruce Jenner being a manly man. The idea of what a manly man is, being a physical specimen. The idea of masculinity today, that it's frowned upon to, as a man, to express yourself through emotion or through reason and instead do so through anger, and you shouldn't cry in public. These things are dehumanizing. And I think if these binary categories were less strict in American society, then we wouldn't even need these types of bills. It wouldn't be a big deal to be a man, or a male or a female on a birth certificate. So I'd really like to see culturally that attitude be eradicated. Thank you."

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

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

Representative McDermott rose to respond, stating:

"Still in opposition, second time. I don't want to go down this rabbit hole, Mr. Speaker, but in 1972, homosexuality was removed from the

disorder manual because they couldn't conduct their conventions, they were being protested. So they said, to hell with it, we'll just take it out so we can conduct our conventions.

"As my friend from Maui mentioned, two years ago it was they removed transgenderism from the mental disorders, but it was based on politics. That's all it is, politics, like sex ed for kindergarteners. It's politics. It's social engineering. It's leftism. Cultural context, politics, leftism. There's no one who can stand before me and tell me that Bruce Jenner doesn't have a problem right now. He's got a mental disorder, that's clear as the sky is blue. He does. So for those reasons, I'm still against it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 631, HD 2, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATES OF BIRTH," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Kawakami and Tokioka voting aye with reservations, and with Representatives Aquino, Choy, Cullen, Har, Kong, Matsumoto, McDermott, Pouha, Tupola and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 900) recommending that H.B. No. 174, HD 2 pass Third Reading.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 174, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes.

At 1:16 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 501, HD 1
H.B. No. 837, HD 2
H.B. No. 483, HD 1
H.B. No. 458, HD 2
H.B. No. 459, HD 2
H.B. No. 631, HD 2
H.B. No. 174, HD 2

Representative Saiki rose, stating:

"Mr. Speaker, could we have a recess until 2:00 p.m.? Thank you."

At 1:16 o'clock p.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 2:10 o'clock p.m.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 901) recommending that H.B. No. 1147, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1147, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1147, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 51 ayes, with Representative Jordan voting aye with reservations.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 902) recommending that H.B. No. 1467, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1467, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

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

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

Representative DeCoite's written remarks are as follows:

"Thank you, Mr. Speaker. I am writing with reservations on House Bill 1467, HD 2.

"I strongly support the intent of providing consumers with better choices. However, this measure requires a kind of forced participation that is contrary to free market principles, and that is why I have reservations in regards to this bill.

"This Legislative Body knows the Connector is not always the cheapest option, Mr. Speaker. Insurers and businesses should have a choice whether they want to participate in the Connector or not. If they decide participation is not for them, then they should not be mandated to offer plans through the Connector. Especially in a way that singles out one group of insurers. If the intent of this bill is to strengthen the Health Connector then there should be greater incentives offered for insurers, employers, and their employees to encourage willing participation.

"Mr. Speaker, this Legislative Body also knows the Connector is not always an effective system. Since its conception, the Connector has had a range of technical issues and complaints. I understand nothing is perfect, there are positives and negatives that come with any option. That is why it should be up to the insurer and their clients to decide if they would like to participate in the Connector or not.

"The restrictive aspects of this measure are also of concern. I would like to see something in the bill that allows insurers and employers to buy coverage *a la carte*. Many consumers would benefit from a system that would allow the consumer to pick individual components of a plan that fits their range of price and level of service, instead of being required to make an all or nothing deal.

"The requirement in the bill that an insurer must offer one Platinum plan and one Gold plan seems to also be in conflict with the Patient Protection and Affordable Care Act (PPACA). The PPACA defines the term 'qualified health plan' as a health plan that is offered by a health insurance issuer that agrees to offer at least one qualified health plan at the Silver level and at least one plan at the Gold level. So it begs the question as to why the Platinum coverage, which is of higher cost, was put into the bill rather than the Silver coverage, especially when it conflicts with federal requirements.

"Additionally I am concerned about the impact to small businesses that this measure would have. Expanding the definition of small employer to include employers with 100 employees and ending the use of loss experience in rating for businesses, by terminating transitional renewal policies, will increase costs for our state's small businesses. Our small businesses are already financially stressed, we should not seek to worsen their situation.

"Mr. Speaker and distinguished Members of this Body, simply put, this measure needs work if it is to move forward. I urge everyone to please take careful consideration of the consequences of this bill. Thank you."

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

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

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

"Mr. Speaker, in opposition, brief speech. You've got to know when to hold them and when to fold them, and I think this deserves to be finished completely. Thank you."

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1467, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH CONNECTOR," passed Third Reading by a vote of 46 ayes to 5 noes, with Representatives DeCoite, Har, Jordan, Keohokalole, Pouha, San Buenaventura and Tokioka voting aye with reservations, and with Representatives Fukumoto Chang, Matsumoto, Thielen, Tupola and Ward voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 903) recommending that H.B. No. 1075, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1075, HD 2 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I want to vote in support with brief reservations with a small comment. Mr. Speaker, I think that we need to move forward with this proposal. This may be the only direction we can go. However, I would like to see a financial audit, a fresh financial audit incorporated into the measure so that we can objectively make a decision as to whether we're moving in the right direction or not. Thank you."

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

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

"Mr. Speaker, I rise in opposition to HB 1075. Mr. Speaker, I cannot support this bill because I don't believe that the provisions of this bill are in the best interest of the people of Maui, the Hawaii Health Systems Corporation, and the people of Hawaii.

"Mr. Speaker, this bill does not have any provisions for the protection of the people of Maui in the event that the private entity decides that it made the wrong decision and is not able to provide or expand the services on Maui and Lanai, as the people of Maui are expecting. In fact, this bill provides for the private entity to be able to choose which facilities it wants to operate. There is no requirement for it to operate all Maui region facilities. It could decide not to operate Kula Hospital and Clinic, or it could decide not to operate Lanai Community Hospital, or it could decide that it only wants Maui Memorial Medical Center. Whatever facilities it doesn't feel it can efficiently operate could still remain with the Hawaii Health Systems Corporation to operate.

"I would feel much better if all of the facilities were included, and if the private entity was required to place a performance bond for at least 25 years that would ensure that if they walk away from this deal, the Hawaii Health Systems Corporation or the State of Hawaii would have the financial means to go back into Maui and pick up all of the pieces.

"Mr. Speaker, this bill does not help our ailing Hawaii Health Systems Corporation. The bill calls for the leasing of the chosen facilities for \$1 a

year for a minimum of 25 years. It also calls for the Maui Regional System Board to transfer all the equipment and assets to the new facility at no cost. This bill requires the State of Hawaii or Hawaii Health Systems Corporation to assume all of the current liabilities, including the accounts receivable, accrued employee time off, debts, capital leases, malpractice liabilities, and any other liabilities. But, Mr. Speaker, the worst part is that all of the current receivables are not mentioned in the bill and would assume to go to the private entity as future income.

"Mr. Speaker, this bill is also not in the best interest of the people of Hawaii. This bill obligates the people of Hawaii to provide an operational subsidy to the amount of the 2014 Fiscal Year, which is approximately over \$20 million a year, in perpetuity. This bill will also obligate the people of Hawaii to fund not only the liabilities for the capital improvements made in previous years and currently approved, but it also requires the people of Hawaii to share in all of the costs for the capital improvements determined by the private entity for the next 10 years. And finally, this bill requires the people of Hawaii to share in the costs of the capital improvement projects that are pending but not yet approved by the State at the time of the execution of the lease.

"Mr. Speaker, for these reasons and many more that I have shared previously, I cannot support this bill. Thank you."

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

Representative Tsuji's written remarks are as follows:

"Mr. Speaker, I support this bill with reservations.

"HHSC is our state's healthcare safety net. Under its current structure, if the Maui region is allowed to break off, the remaining regions would have an even larger financial burden to contend with. I also have concerns that it could set a bad precedent for the other regions, and jeopardize HHSC as a whole.

"Hilo Medical Center is the major acute care facility in East Hawaii. It needs to exist for the health and safety of my community. While I sympathize with the Maui workers and understand their support of this bill, HB 1075, HD 2 still needs much work to ensure the other HHSC facilities will not be irreversibly and negatively impacted. Until I see those assurances, I vote with reservations."

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

"With reservations. I ask that the comments from the spoken words of the Big Island Representative and the Representative from Maui be entered into the Journal as if they were my own. I have the strongest of reservations over this. I would like to see many changes made, but out of respect for the people of Maui and the Speaker, I go with reservations, but I may vote no in the end. Thank you."

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

Representative DeCoite's written remarks are as follows:

"Thank you, Mr. Speaker. I am writing with reservations on House Bill 1075, HD 2.

"Mr. Speaker, I am open to discussing all options on the table, if it means a better and more efficient state healthcare system. Our situation is far from ideal. Especially on our neighbor islands, where our constituents are sometimes subjected to waiting for hours in the ER for severe emergency situations. When patients have to be airlifted to other islands in order to utilize services not offered at their islands facilities, there is a problem. Allowing our citizens to continue to be subjected to these kind of situations is not only irresponsible, but also flat out life threatening. Our

people deserve better, Mr. Speaker, and that's why I am in support of the intent of this measure.

"However, I have reservations on aspects of this bill. One cannot deny that in order to prescribe a solution to an ailment, a doctor must first know the causes. It is not enough to just look at the symptoms, a doctor must sometimes look at blood work or MRIs in order to really get to the root of the issue. This is true for politics as well. Where a doctor may run some tests to understand the extent of a problem, public officials would request a study or an audit. This is precisely what needs to happen when we talk about the Maui Regional System.

"How can we push a solution when we don't know the extent of the problem? I am sure there are parts of the current system that would benefit from privatization, but this measure is too open-ended and paves the way for a total takeover of our hospital system in Maui County.

"I do support the idea of sharing the cost of providing healthcare with a private entity if done right. The first step in this process should be a full fiscal and management audit of all Maui Memorial facilities. When we make decisions we need all the facts, we need to weigh the positive and negative impacts and take it all into consideration when deliberating on the best course of action.

"The measure needs specificity. Potentially, all of Maui Memorial hospital facilities could be transitioned to Hawaii Pacific Health under the current language. This would leave us paying costs for things we have little control over. While their plan may be an attractive one, I don't believe things will be as clear cut as proponents of privatization may believe. Cost savings will potentially inflict negative impacts to services, and without more control of facility management our state will not be a party in those decisions.

"We also should be providing more support to the dedicated staff who are going to be forced to make the difficult decision of retiring, due to the change in contract. The staff at these facilities love their community and they want to remain part of the effort to provide quality healthcare to their patients. For the State to just leave them to the mercy of a private contract could result in a loss of these dedicated staff members and adversely impact the quality of care provided.

"Furthermore, I am concerned about the implication that after the 10 year period the transitioned facilities will not need state funding. This Body and our citizens should be aware that joint funding from the State may be a permanent reality we have to face. After the 10 year period we may discover the extent of our long term fiscal responsibilities to these transitioned facilities.

"Mr. Speaker and distinguished Members of this Body, this measure is well intended and no one can argue the fact that something needs to be done. We can all appreciate the complexity of this issue, but if something is to be done, it has to be done right. I urge everyone to please take careful consideration of this bill and what is at stake. Thank you."

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

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

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

"Thank you, Mr. Speaker. Standing up in opposition with brief comments, Mr. Speaker. Mr. Speaker, I have the highest respect for those that work in Maui Memorial, Mr. Speaker, from the employees as well as the people who work, like Mr. Lo, who run the hospital. So it's with great issue that I have to stand in opposition to this measure at this time. Please let me briefly explain why I'm opposed to this measure at this time, Mr. Speaker. We went through this route before, several years ago, and I did state at that time, it would be better to have an organization that's locally based, like HPH, to look at this merger at this time.

"However, Mr. Speaker, my concerns are specifically that at this time we are giving up too much for this beautiful asset that we call Maui Memorial, Mr. Speaker. This hospital, which is a single hospital that services that area, is a jewel in the HHSC inventory. So I think, Mr. Speaker, this bill at this time is overly generous, even though it's going to a locally run entity like HPH.

"Mr. Speaker, also at this time I'm in opposition to this measure because the feeling that is written behind this measure is that, or some of the issue points to discuss, is that there are cost savings that will be earned based on the reduction and changes of the labor wages. Mr. Speaker, one of the great things about Maui Memorial is not only the place that it sits, but also the people that work there. So I think it's disingenuous to say that the cost savings to make the hospital run more efficient is at the hands of reducing or renegotiating current public worker contracts. Mr. Speaker, I do want to highlight the fact that if you are an employee there, if there is move to a private entity and all the jobs are at risk, there is no other entity for those employees to move to, unlike areas like Oahu and the Big Island. So with those concerns, Mr. Speaker, I respectfully submit my no vote."

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

"Mr. Speaker, with reservations, brief comment. Mr. Speaker, my reservations are primarily concerned about the lack of details. There's got to be an MOU or an agreement that writes out really the fine print, or even this is really macro print, you can't really tell what's going to be how and it's still vague, so until the details come down, which we always say the devil is in the details, well there's no devil here.

"What I think though is a big driver here, and this is I think, Members, we have to face the music, is that HHSC gets \$90 million a year of taxpayers' money just to keep it afloat. That bleeding has got to stop at some time. This seems to be one solution, it may not be the perfect one, but unless we as a Body that's responsible for HHSC to try to do something. I mean, instead of a 25 year lease let's try it for 10 years, or let's see if it works at a lesser way of time.

"But the fact that Maui Memorial I think was going to be in 10 years another multimillion-dollar deficit to the people of Hawaii versus at least holding its own aside from the \$20 million per year subsidy for CIP purposes, this seems to be somewhat of an alternative that we should at least pilot, experiment with, or see if we can stop the bleeding of this \$100 million a year, which in 10 years is going to be \$1 billion, of which this Body and our colleagues in the Senate will have to come up with. For those reasons, Mr. Speaker, I have reservations."

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

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

"Thank you very much, Mr. Speaker. In support. And actually, a lot of what the previous speaker from Hawaii Kai said makes perfect sense. I share those thoughts completely. But why I'm going with support right now and not with reservations, I think it's important to send a message back to Maui that there's a lot of hard work, but we're committed to try to work through the very details that the Representative from Hawaii Kai said need to be answered.

"There's a lot of work that needs to be done, Members, but at the end of the day we're trying to avoid a situation which we could lose the only hospital we have, and try to avoid a situation whereby the services that Maui Memorial provides to the rest of HHSC are not lost as well.

"Please let us move this bill forward. Every 'with reservations' to me I'm studying, I'm analyzing conversations. I believe we do need a fresh audit to look at HHSC, Maui Memorial's operations. I do believe we need to address these things, but we need to keep the conversation going forward. But to simply walk away and do nothing leads us into a very precarious situation.

"And for whom the bell tolls, Mr. Speaker. Today it's Maui Memorial, tomorrow it could be the Big Island. Next day it could even be Oahu. So please, colleagues, we really need your help to work this through and we hope to earn your reservations or approval at the very end with a product that will be fair to the employees, and provide the services the community needs and the State needs. Thank you."

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

"Thank you, Mr. Speaker. A no vote for me. Thank you. I'm in opposition, but thanks to the Health Committee Chair last year, I and others had the opportunity to participate in committee hearings on each island for these HHSC briefings. They were very informative and helped me understand the many challenges each facility faced. I also saw how dedicated the staff, board members and administration were in providing the best care for their communities.

"The Kauai, Big Island and Oahu regions are doing their best to live within their means, and various innovative partnership possibilities were mentioned. Maui, however, shared how they were struggling to make ends meet, and really need to enter into a partnership. This bill for the Maui transition makes me very worried. Personnel costs through collective bargaining are being blamed for the financial woes as well as an inflexible personnel system. So certainly, a private entity can do what they want with employees to make their bottom line profitable.

"Now, the bigger concern is taxpayers having to foot the bill. A fixed long-term lease for \$1 per year. The Maui Regional System Board may transfer all equipment, but who paid for the equipment? Liability for the current outstanding post-employment benefits and accrued leave payouts shall become the responsibility of the State. The State will also fund up to \$20 or \$30 million a year in addition to 10 years of jointly funding capital improvement projects, with no clarity on costs. Now why wouldn't any entity want a deal like that?"

"What kind of authority will the State have in this new proposal? It's obvious we cannot assure employees state benefits and protections. Are we able to keep the Kula Hospital and Clinic and Lanai Community Hospital in state control? What are the State's partnership rights, besides being the deep pocket that the new entity can dip into?"

"My vision of a partnership, especially for Maui who has only one hospital, is to provide many valuable services through other entities that would be in our state hospital. Maui already contracts out the emergency room services, so why couldn't this apply to other specialized services? Have we done enough to hold the hospitals accountable for their spending? Wouldn't an audit help to guide us to do what's most beneficial? Have we done enough since the last audit in 2008, where the HHSC disputed nearly all of the audit findings? We cannot give away our safety net. I know this bill needs a lot of work, but at this point, unless I see more employee protections and benefit for the State, I need to vote no. Thank you, Mr. Speaker."

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

"I stand in support with small reservations, and I echo the Representatives' comments from Kahului and from Lahaina. They of all people should know what is good for their districts, and I support them. Thank you."

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

"Thank you, Mr. Speaker. I rise in support with many of the same reservations that others have had. This bill as it currently stands, it's really not ideal and it shouldn't go forward in its current form. However, we have to go forward, we can't go back on this, so we have to go forward. Now it might not pass muster at the end, but I think we have to go forward with this. So I therefore rise, again, in support with reservations. Thank you."

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

"Mr. Speaker, I rise in support. I rise in support with the very same concerns that were expressed earlier by the former Health Chair and the Representative from East Big Island. This bill is far from complete. It is a work in progress. My greatest concern is that the Maui Regional Board, which is the chief negotiator on this proposal, is not a neutral party.

"I think that when a new proposal comes to us, sometime perhaps in the next month or month and a half or maybe even more, we are going to run out of time to examine, negotiate, renegotiate, examine fully the proposal that has come to us largely from the new entity principals, meaning Hawaii Pacific Health and the Maui Regional Board. We will not necessarily have the time to do due process diligence to see what was negotiated, and I am concerned with that factor. Thank you."

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

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

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

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

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

"Thank you, Mr. Speaker. With reservations, and it's with some reluctance that I vote with reservations. This is an incredibly difficult issue, one that's been around as long as I've been in the Legislature, so for eight or nine years at least. And I think the committee chairs and committees that have dealt with it at this point have done yeoman's work, and it's with reluctance that I vote against what I believe to be the best efforts possible under the circumstances. But I think it's a difficult issue, and it's not surprising that it hasn't been completely resolved and tied up in a neat little knot, but I think it hasn't been at this point. Thank you."

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

"With reservations also, and I echo the sentiment of the Representative from Chinatown. Thank you."

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

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

"Thank you, Mr. Speaker. I rise in support with reservations. First of all, I really empathize with the neighbor island colleagues. Coming from a rural community like Wahiawa, North Shore, Oahu, we know the tremendous importance of having your acute care facility, emergency room medical services available to your constituents 24/7. So I can really appreciate what they're experiencing right now, especially when they go back home and they hear from their constituents. These are not easy choices to make. I hope that we can all work together and try and find an interim solution if not a permanent solution to the situation going on with our healthcare systems.

"Again, I represent a rural community in Wahiawa. We face similar challenges, and much of it has to do with no one's fault or neglect at the operational level with the doctors or the clinicians or the nurses or the staff or all the human elements that make a healthcare system work and provide services. But a lot of it has to do with forces outside of ourselves and the federal government on the level of reimbursements, the need to upgrade systems to include medical records, and the whole issue of Affordable Care Act deployment going throughout our nation.

"They all have local consequences and effects, and we have a very unique market here in Hawaii where you have a high degree of Medicaid and Medicare patients, and it's much more acute than I think people on Oahu realize when you get off the plane on the islands of Maui, Kauai, Hawaii Island, Molokai, Lanai, *et cetera*. So for those reasons, and with that understanding and background, I support my neighbor island colleagues, I support the Speaker of the House and what he's trying to do, and I also pledge my support to whatever the neighbor island guys come out with. Thank you, Mr. Speaker."

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

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

"I rise with reservations. My reservations stem from the fact that we're approving negotiations to happen before there's any plan of transfer of employees, or if there's any plan of reduction of services, which will in turn affect employees which make up 75% of all costs, and actually a large portion of a lot of the Maui Representatives', including myself, constituency. So in the interest of the employees, reservations. Thank you."

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

"Mr. Speaker, for Stand Com. Report No. 903, may I have a yes with reservations based on the defective date."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1075, HD 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Third Reading by a vote of 41 ayes to 10 noes, with Representatives Brower, Choy, Creagan, DeCoite, Fukumoto Chang, Har, Ing, Jordan, Keohokalole, Kobayashi, Lee, LoPresti, Matsumoto, Oshiro, Pouha, Rhoads, San Buenaventura, Say, Takumi, Tokioka, Tsuji, Ward and Woodson voting aye with reservations, and with Representatives Aquino, Cullen, Johanson, Kawakami, Lowen, McDermott, Morikawa, Ohno, Onishi and Yamane voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 904) recommending that H.B. No. 1112, HD 2 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1112, HD 2 pass Third Reading, seconded by Representative Evans.

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

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

Representative DeCoite's written remarks are as follows:

"Thank you, Mr. Speaker. I am writing with reservations on HB 1112, HD 2.

"Mr. Speaker, I strongly support Section 2 of this measure, which will require a fiscal and management audit of Hawaii Health Systems Corporation (HHSC) every five years. For an operation of this size and scope, it's surprising that the State neglected to statutorily require an audit from the beginning of our endeavors with HHSC. An audit will allow us to pinpoint where the system is lacking, focus our efforts at addressing those concerns, and continue to monitor the system to see what is working and what does not.

"I also would be willing to support the recentralization of the HHSC system, if it means a more efficient and effective health system. That being

said, aspects of this measure are too prescriptive to be implemented this prematurely in the process.

"For one, I have reservations about centralization because it was done away with in the past. There was a reason that the Regional Board was put in place, and that is because our islands are not all the same. What works for Oahu will not necessarily work in Maui County. So if we must recentralize, I would like to see the regional boards still be able to have either certain authorities for their facilities or more weight when it comes to regional decisions.

"We shouldn't be trying to restrict HHSC any more than we need to at this current time. We may find that a mix of solutions, which incorporate aspects of privatization and recentralization, will work best. The option for each regional facility to pursue public-private partnerships should still be available until we can confidently say it will not improve HHSC's situation.

"We must be aware that any changes in the current system may cause further complications and hardships for HHSC and the people of this state. This is not to say that changes don't need to be made, but rather to be mindful that our decisions should aim to fix the current system and also cause minimal disruption when possible.

"Additionally, Community Health Centers need to be brought to the table in these discussions. In some cases, Community Health Centers provide services to a large portion of the community. By leaving them out of the loop, further inefficiencies will develop and cause disruption of care services for individuals and more complications for health professionals. Collaboration will ensure that citizens receive an appropriate level of care and keep all parties actively involved in the process.

"Above all else, I would like to see an audit done before moving forward with revamping our current system. Only after an audit can the State prescribe the appropriate course of action to address the problems surrounding our State Hospitals.

"Mr. Speaker and distinguished Members of this Body, I urge everyone to please take careful consideration of the implications of HB 1112 as we move towards conference. Thank you."

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

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

"Mr. Speaker, I'd like to register a no vote on this measure also. Mr. Speaker, in 2013 we passed a bill to reorganize the HHSC corporate board. One of the issues that was brought up was the fact that the CEOs from the five regional districts sat on the corporate board and in essence seemed to control the board's inability to actually act on the State's behalf. So we changed the law to allow for the Governor to appoint replacements for the CEOs and made the CEOs *ex officio* to the corporate board.

"Since that bill passed, the previous administration didn't implement the appointment of the replacement board members, and the corporate board has been floundering. I find this bill to be problematic only because we haven't given the new administration an opportunity to appoint appropriate people to the corporate board and see what the corporate board can do in trying to right the HHSC ship.

"Also, the last audit of Hawaii Health Systems Corporation was done in February of 1999. I think that is way overdue. The last financial audit of HHSC was done in April 2008. I think what is more appropriate is that this Body request that a full management and financial audit be done before we tinker around again with the administration, the corporate board and regional boards. Thank you, Mr. Speaker."

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

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1112, HD 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives DeCoite, Har, Jordan, Keohokalole, Morikawa, Pouha, San Buenaventura and Tokioka voting aye with reservations, and with Representatives Aquino, Cullen, Kawakami, McDermott, Onishi, Tupola, Ward and Yamane voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 905) recommending that H.B. No. 1072, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1072, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

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

"Thank you, Mr. Speaker. I rise with grave reservations and I would like to submit written comments and give you some brief comments.

"So this is a very personal, important issue for me. And so I've talked it over with people. I've talked with a lot of people over the past few days and it's given me new appreciation of the knowledge and wisdom that we have here in our Legislature. I was trying to figure out how to vote on this bill, and I look forward to talking to all of you, or the ones I haven't talked to, in the next few weeks.

"So I talked with the Speaker and he said, it's okay to vote no, as he has always voted no before on this same type of issue. I talked with the Representative from Hawaii Kai and my Peace Corp friend and he told me, vote your conscience. I talked with the Representatives from Districts 37, 14 and 15 on Kauai and they said, come vote no with us. Then I sat down with the Representative from Wahiawa, and he said that he could understand how I would want to vote my conscience to vote no but I had vote with reservations as the bill has a defective date, and if it comes down to that I could possibly shape the bill in conference.

"So I am very grateful to all those I mentioned, and it's in their knowledge and all that stuff that I don't understand yet, and others who talked to me and shaped my position. So I'm asking them to please understand why I have to at this point vote with reservations, but hope that they are willing to vote my conscience for me and vote no. Okay.

"So, now I'm going to talk a little bit about psychology. And for those of you who don't know, I have degrees in medicine, biology, graduate education in biology, biomedical engineering, and I have one and a half degrees in psychology. So I have found out one thing, that words can change your brain. Words change our brain. That's what education is, words changing our brain. And psychotherapy is a type of education. We

have evolved to use language as a tool, and our brains have evolved to be changed by those tools, by language, and that's what psychotherapy is.

"Now, most of you probably aren't aware, because I wasn't aware until I took courses in psychology, that psychologists had to fight for the power of using words to heal. Psychotherapy was illegal for psychologists until the 1950s. Prior to World War II, there were really no clinical psychologists. This specialty evolved after World War II. Prior to that, they gave IQ tests and tests for the military, did experimental psychology with rats and mazes and things like that, but they didn't treat patients. But the need after World War II was so explosive that they developed many clinical psychology programs, and soon eventually there were over 100,000 clinical psychologists, PhD clinical psychologists.

"One of the reasons there was a need was psychiatrists were doing psychoanalysis, which is a very elitist type of therapy, and so they weren't really available. Medications weren't available at that time. So the PhD programs for clinical psychology were very rigorous, programs that required a lot of coursework and a thesis and often took five to seven years to complete. Entrance requirements were very stiff and competitive, but never included any biology, chemistry, anatomy or physiology.

"Now, while behavioral therapy, as espoused by B. F. Skinner, was popular for a while, its emphasis on physical behavior should have included thoughts as targets of behavioral modification, and thus cognitive behavioral therapy treatment became and is still the mainstream of therapy. And that's the skillful use of words to me is akin to microsurgery on the brain. Metaphors, reflections, are like micro scalpels training and pruning the branches of the brain's neurons, and weakening and strengthening neural pathways. This is not how psychologists thought of it, as they thought they were treating the mind. They didn't acknowledge they were treating the brain. However, that's what they're doing.

"So the mind is a construct that no one really understood, but it was perhaps a useful metaphor for the brain. There was a strong element of mind-body dualism, that the mind exists as something distinguishable from the body. It was somewhat conflated with the concept of a soul, which often gets conflated with what we think of as the mind. So you can perhaps think of the mind as sort of a secular soul.

"Now, this is of course why we speak of mental health rather than brain health, even though it's not clear."

Representative Hashem rose to yield his time, and the Chair "so ordered."

Representative Creagan continued, stating:

"Thank you. I'm sorry about this, but anyway. So, it's not clear that schizophrenia, bipolar disorder, otherwise known as manic depression, are a group of respective brain disorders with a strong genetic component but with equally strong environmental components.

"Sadly, it is very difficult and impossible to treat these severe brain disorders with just words and social supports, but these are very important parts of treatment. But the medications required are complicated, they're dangerous, they cause movement disorders, obesity, diabetes, heart diseases, and death. These medications, known as antipsychotics, are difficult to prescribe and monitor, and someone who doesn't have knowledge of the brain and the body should not be prescribing these. These medications can appropriately be provided through telepsychiatry, however, and that needs to be expanded.

"So, I have more things to say, but in the interest of time I'm going to submit these as written comments. What I just ask you to do is this. Think about this bill as it is, and think about the bill in Illinois. The bill in Illinois is fairly rigorous and allows people, right now psychologists could get prescriptive privileges becoming a nurse or a physician's assistant, and the Illinois program basically provides similar components. So that bill has a sunset in 2017, and what I'm proposing is that we wait and observe what that program does and see the result of that before we rush into this. In the meantime, I'm proposing two resolutions, one to ask for an audit of our

Mental Health Task Force, and another to have a task force of all mental health providers to discuss how we could best go forward. Thank you."

Representative Creagan's written remarks are as follows:

"While I had written up some comments on prescription privileges for psychologists which were an amplification of my spoken remarks, I found a recent excellent article written by two psychologists very familiar with the issues which, while longer than my remarks, provided an excellent history of the issue and a better explanation from the psychologist point of view why prescriptive privileges for psychologists were not warranted and would result in poorer patient outcomes. I am appending that article to these remarks.

"I will note here that not noted in that article is a potential problem in regards to the emergence of schools granting doctoral degrees in psychology with largely an online curriculum. Many if not most of these schools grant a Psy.D. degree. There was a perception on the part of other articles written by psychologists that those practitioners with a Psy.D. degree appeared more likely to support the psychology prescription movement. If the likelihood that those psychologists seeking prescriptive privileges are those that have less stringent basic training in psychology, this could make the overall situation even more problematic and potentially more dangerous for patients.

"I do think that issues raised in the discussions of this bill on the availability of mental health care are important to address, and I have therefore drafted resolutions requesting an auditor's report and a second requesting a task force lead by the Chair of the Psychiatry Department at UH Manoa to evaluate the mental health task force in Hawaii."

Representative Creagan also submitted the following article:

The Long-Running Failure of the American Psychological Association's Campaign for Prescription Privileges: When Is Enough Enough?

Timothy R. Tumlins, *Independent Practice, Darien, IL*

Robert K. Klepac, *University of Texas Health Science Center—San Antonio*

For nearly two decades the American Psychological Association (APA) has conducted an expensive campaign to expand psychologists' scope of practice to include prescribing medications, a change that would alter the profession in ways that are arguably detrimental. This marathon effort continues despite an almost perfect record of costly failures over decades, and despite a lack of scientific support, a long trail of controversies, and failure to gain consensus within the profession.

Many psychologists and their colleagues have had little chance to fully examine the record of the prescription privileges (RxP) campaign and the details of its proposals, even though they could alter both the profession and the mental health treatment system itself. This review is intended to provide all stakeholders with an understanding of this divisive issue, and possibly prepare them to play a role in its course.

This article begins by examining the details of the education and training proposed in legislation to prepare psychologists to prescribe, and their practice conditions afterward. It also asks whether psychology needs to and should incorporate the practice of medicine at all, particularly in light of the risks and controversies and the existence of more reasonable alternatives. The legislative record of RxP in its origins and its political course within the APA are discussed, and several areas of controversy concerning RxP are illustrated. Case examples involving RxP activities in two states are provided.

Development of Training Models

A historical review of training standards for prescribing psychologists, followed by the current model proposed by the RxP political campaign and offered by commercial education programs, illustrates how these standards have been weakened to levels well below what is regarded as sufficient by the medical professions. The earliest edu-

ditional program evaluation, concluding that there was no need for the prescribing psychologists, and that expanding such training was cost-ineffective. The program cost \$6 million to train the 10 psychologists (General Accounting Office, 1997).

In 1992 an APA Ad Hoc Task Force on Psychopharmacology issued recommendations that defined three levels of psychopharmacology training for psychologists (Smyer et al., 1993). Level 1 consisted of two graduate-level courses that provided basic knowledge in biopsychology and psychopharmacology. Level 2, labeled Training for Collaborative Practice, would prepare the psychologist for consultation-liaison relations with medical practitioners (summarized in Robiner et al., 2002). The Task Force's Level 3 training was designed for independent prescribing practice and called for undergraduate preparatory coursework in biological sciences as well as more extensive graduate training and a specialized internship in psychopharmacology. In all, Level 3 training would require about 4 years to complete, compared to the 6 years advanced-practice nurses are trained. Therefore, the doctoral program in clinical psychology that included this training would require about 10 years in all, similar to the amount completed by psychiatric physicians after the bachelor's degree.

The APA ignored the Task Force's recommendations on collaborative practice training reflected in Levels 1 and 2, and focused instead on Level 3 for independent prescribing, but without adopting the prerequisites and graduate training recommendations for that level. In 2009 APA issued revised training standards which are substantially less rigorous than those of the PDP calling for 400 hours of instruction. The APA also created the Psychopharmacology Examination for Psychologists (PEP) to be taken following the program. Advocates for RxP often extol the PEP as a "national examination," which suggests quality assurance standards set by a broadly based authority. However, they do not mention that the text comes exclusively from the same organization promoting lower training standards, and paying for RxP lobbyists to press for state legislators' acceptance of proposals authorizing psychologists to prescribe.

Current RxP Legislative Proposals

Concerns have arisen about the now-weakened proposals that would allow psychologists to prescribe. These range from questions about the lack of prerequisite edu-

cation to the conditions of professional practice. Psychologists are different from other health care professionals in that their graduate training does not require them to undergo coursework in basic biomedical sciences. And also unlike other health professions, psychologists admitted to RxP training programs are not required to complete any prerequisite coursework in medically relevant biological sciences before enrolling, or demonstrate prior competence in any of those domains through testing. Such coursework is necessary to understand the fundamental processes inherent in health and illness, and how the human body responds to medications (Helby, 2010). As noted in the accompanying table, other health care professionals are required to obtain hundreds of instructional hours in prerequisite biological science education, oftentimes more instruction than what is required for the entire RxP training. A training model for prescribers requiring as little as 400 hours – 26.6 semester credits – of instruction is a source of considerable concern. Master's degrees in the three psychopharmacology programs deemed appropriate by APA offer approximately 450 hours of instruction. This is ap-

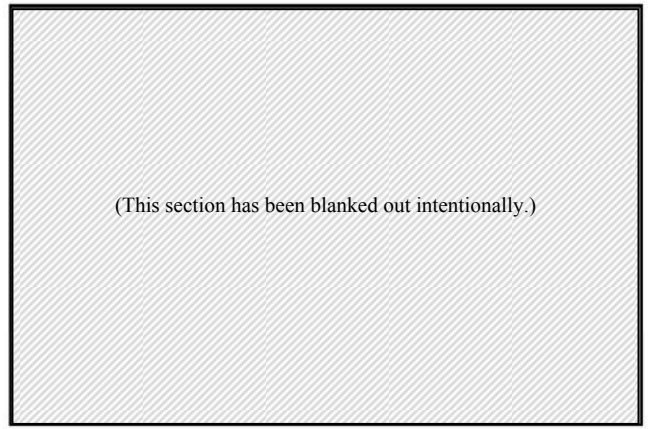
Table 1. Biological Science Prerequisite Education of Other Prescribing Professions Expressed in Contact Hours, Consistent With RxP Training Programs

Prerequisite	Medicine	Dentist	Physician Assistant	Optommetrist	Nurse Practitioner
Biology	465	474	214.5	421.5	160.5
Physics	120	127	73.5	109.5	45
Inorganic Chem	115.5	114	7.5	121.5	52.5
Organic Chem	117	123	102	121.5	46.5
	112.5	109.5	31.5	69	16.5

Note: Adapted from Seelster & Coon (2002).

proximately 20% of the training required of physicians, 33% of what is completed by advanced-practice nurses, and 50% of what was completed by the PDP psychologists. These RxP degrees cover some of the basics of chemistry and biology, substantially reducing how much is actually spent on learning advanced topics about medical practice.

Concerns about the depth of this curriculum may be illustrated by the attention such programs pay to prescribing for children and adolescents. Psychiatrists undergo a special 2-year fellowship in learning how to prescribe for this population, capped by specialized board certification. In contrast, the RxP course offered by the California School of Professional Psychology addresses



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this area and several others in one single course of 36 online clock hours of instruction. The school's online course description (http://catalog.alliant.edu/preview_program.php?catid=2&progid=271&return=887) states that it covers "child/adolescent psychopharmacology, geriatric psychopharmacology (dementia, polypharmacy, and interactions between pharmacotherapy and age associated illnesses); developmental disorders; treatment of chronic pain disorders; psychopharmacological issues for individuals with chronic medical illness, victims of trauma, and patients with personality disorders."

Other concerns about the quality of the education relate to its format. The education component is primarily acquired online, a condition that RxP advocates fail to mention in any of their pronouncements. For example, one program requires students to watch recorded lectures and then discuss the material through online chats. The proposed content of training and practice for prescribing psychologists raises further questions. Many psychologists have been trained in settings outside of the medical health care system, such as schools, counseling centers, and social service agencies, and they also have practiced professionally apart from any medical contexts. In contrast, the training of other prescribing professionals typically includes long apprenticeships in hospitals and other similar settings, learning not only through didactic instruction but through extensive exposure to a wide variety of experiences and clinical sites. Therefore, it would seem reasonable to require aspiring psychologist-prescribers to practice what they have learned entrenched within the medical system to compensate for this. However, the opposite is true. Proposed legislation would allow psychologists trained online from a psychology school to undergo their practicum training under the guidance of another psychologist in a private, nonmedical office setting. Finally, current proposals would have prescribing psychologists practice under the regulation and licensing of the state psychology board, whose members typically have no medical training.

Therefore, the result of such proposals could be a class of psychologists who can prescribe all the psychoactive medications that a board-certified psychiatrist does in a private setting. Yet, the process which qualified them would consist of a biomedical education obtained online from a distant psychology school, meeting weakened training standards developed entirely by psychologists and certified through a test

developed and administered by a psychology organization. These persons' practicum experience would be supervised by a fellow psychologist, and their regulation and licensing would take place under a board of psychologists. Such a new medical—and psychological—profession would thus have been created entirely by psychologists, separate from the medical professions, and without the support or approval of any medical authority on training and safe practice.

Issues over the quality of the proposed training of prescribing psychologists were underscored by comments posted on the ABCT listserv by a prescribing psychologist from Louisiana, Sean Ransom, Ph.D. (personal communication, April 23, 2014). He wrote that he felt his training was "severely inadequate. . . . We're not for my outstanding physician colleagues (including some extraordinarily charitable psychiatrists who reached out, my RxP certificate would have been a menace." While expressing the belief that RxP training could be valid and valuable, he conceded "RxP advocates are encouraging a faulty training model and are unnecessarily giving the advantage to RxP opponents who can truthfully claim that the basic training is not sufficient for best patient care."

Finally, an ethical and scientific concern about the RxP proposals, which arches over all others, is complete absence of empirical evidence to support them. The practices of such prescribers in New Mexico since 2002, and Louisiana since 2004, provide rich opportunities for study of whether these persons are prescribing safely and effectively for their patients and enhance access to care in their areas. However, in those collective 22 years, no such evidence has been produced. This is especially noteworthy since proponents have ample resources to produce such evidence and it would strongly bolster their legislative case, something desperately needed since RxP is a political failure. Brushing aside science, advocates claim that this model is safe because no psychologist has been sued for malpractice for prescribing. However, they fail to say that in New Mexico, and in Louisiana until 2010, consulting physicians have signed off on prescriptions written by those psychologists, thus providing a medical backdrop to ensure safety.

The scientific nature of RxP politics is consistent with its origins. This campaign came to prominence while APA's changing leadership tilted heavily toward a practice orientation, a shift that resulted in many scientifically focused psychologists leaving the organization to establish the Associa-

tion for Psychological Science. The RxP campaign's roots took hold within organizations with a practice orientation, such as APA's division for psychologists in independent practice, rather than those which made science the primary determinant of professional activity, such as the Society for a Scientific Clinical Psychology, whose members oppose RxP. It is also noteworthy that commercial schools that have opted to develop such master's programs in prescribing are generally not those most deeply steeped in scientific training. Rather, they have been developed in programs espousing "practitioner scholar" models of training, and deemphasizing the scientific underpinnings of psychological practice, let alone the practice of medicine. In light of the noted reasons to be concerned that the practice of prescribing psychologists would be based on training that is lacking in so many respects, we wonder if it also becomes an important ethical question to allow them to continue without empirical support. Thus, the question is also raised as to whether APA and other proponents should continue to pursue RxP given the risks inherent in prescribing psychoactive drugs.

Should Psychologists Prescribe Drugs?

The foregoing discussion assumes that training to prescribe medications is a goal towards which psychology as a profession should work. Many psychologists, however, express concerns about whether the profession should include prescribing drugs in its scope of practice at all. These concerns include whether expanding into medical practice is in the best interests of their profession and of the people they serve clinically, particularly since alternatives preferable to RxP in every respect do not get the attention and resources afforded this campaign. In addition, many psychologists raise questions as to whether RxP would lead to less emphasis on psychological practices, damage the mental health system by worsening the shortage of psychiatrists, harm the profession by exposing it to the financial influences of the pharmaceutical industry, and prolong the deep divisions within psychology already caused by RxP.

Proponents of RxP argue that weakening training standards for prescribing medication is necessary to address unmet needs for psychoactive medications. Setting aside questions of how much of that perceived need is real and how effective such medications are, there are several alternatives to RxP which address this in a manner that is far safer, more effective, immediately imple-

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

"Thank you, Mr. Speaker. In opposition. Just very brief comments, Mr. Speaker. On Saturday, this past Saturday, we did receive an email from a group called the Psychologists Opposed to Prescription Privileges for Psychologists, and they did submit a petition recognizing that as psychologists they were opposed to any effort to allow psychologists to prescribe medications. They do consider prescribing by psychologists to be controversial, even among psychologists. So in order to save time, I'd like to enter this particular petition into the record, and I'd like to enter additional written comments into the Journal. Thank you."

Representative Har's written remarks are as follows:

"Mr. Speaker, I rise in opposition to House Bill 1072, HD 1. The purpose of this bill is to authorize the board of psychology to issue certificates of prescriptive authority to medical psychologists who meet certain education, training, and registration requirements.

"I support the intent of this bill and its efforts to address gaps in the treatment of mental health disorders. However, I have very strong concerns that are highlighted in Section (1) of the bill:

"Providing advanced training in psychopharmacology to certain psychologists who wish to become medical psychologists would be beneficial to residents of Hawaii, particularly those who live in rural or medically underserved communities where mental health professionals with prescriptive authority are in short supply."

"The House draft before us attempts to solve one problem (a shortage of psychiatrists on the neighbor islands) with another problem (unqualified individuals with the authority to issue prescriptions for powerful psychotropic drugs. I would like to refer to the testimony of Dr. Christopher Flanders, DO, Executive Director:

"These medications are powerful, and complex and can cause serious cardiac and neurological side effects. By virtue of their education and training, physicians are able to weigh multiple factors, including the patients underlying medical condition, before prescribing medications. They are also able to recognize the adverse effects and side effects that may occur without warning. Physicians themselves, other than psychiatrists, are hesitant to prescribe many of these drugs to patients. Due to this, other physician's refer seriously mentally ill patients to a psychiatrist. Forty-seven states do not allow psychologists to prescribe. We should not experiment on Hawaii's most vulnerable population."

"Mr. Speaker, if it is truly the intent of the Legislature to address the gap in coverage, the State of Hawaii would be better served by helping more people over the hurdle of becoming educated and licensed psychiatrists rather than lowering the bar and endangering the health of the very same people who are most vulnerable and in dire need of qualified mental health services.

"For these reasons, Mr. Speaker, I must oppose this bill."

Representative Har also submitted the following:

Psychologists Opposed to Prescription Privileges for Psychologists
www.popp.org



Board of Advisors
Elaine Healy, Ph.D.
Robert Klepac, Ph.D.
William Rotner, Ph.D.
Tanya Tompkins, Ph.D.
Timothy Tulin, Ph.D.
Richard Shurt, D.S.W.

Petition

A REQUEST TO OPPOSE LEGISLATION GRANTING PRESCRIPTION PRIVILEGES FOR PSYCHOLOGISTS (HB1072, HD1A-2892)

We, the undersigned psychologists, _____ and all others concerned about quality healthcare to OPPOSE any efforts to allow psychologists to prescribe medications. We consider prescribing by psychologists to be controversial, even among psychologists. The movement for prescriptive privileges originated within the Psychology profession, rather than being championed by other stakeholders, such as patient advocacy or public health groups. As psychologists, we oppose this proposal because we believe that it poses unnecessary risks to the public and would be an inappropriate and inefficient mechanism of addressing mental health needs of the population. We are a diverse group of psychologists, including clinicians, educators, and researchers.

Psychologists have made major contributions to human health and wellbeing and will continue to do so. The profession of Psychology has made major contributions to understanding human development throughout the life cycle and to a multitude of dimensions of human functioning as individuals, groups, communities, societies and cultures. Despite these contributions, there are limits to the practices that psychologists can undertake responsibly as professionals. We believe that prescribing medications goes beyond psychologists' competence...even if they obtain the additional training advocated by the American Psychological Association.

Psychotropic drugs are medications that have multiple effects on the human body. These effects are complex and result from the interaction among patients' unique health status, their other prescribed medications, as well as their diets, lifestyles, and other factors. Although the therapeutic effects of prescribed medications can be very positive, unintended adverse drug reactions are common. To minimize the risk of potential adverse effects, that can even have life-threatening consequences, we believe that medications should be prescribed only by professionals who have undergone suitable medical training that prepared them to manage these medications within the context of patients' overall health conditions. Patients have a right to expect that their medications will be managed by professionals whose education adequately trains them to understand their health history, and assess their current health status, and the potential broad systemic effects of their medications. Unlike the training of current prescribers in other professions, the doctoral training of psychologists historically does not equip them to prescribe and manage medications safely.

Unfortunately, the American Psychological Association's (APA) model for training doctoral psychologists to obtain limited training in psychopharmacology, after they complete graduate school, does not match the levels required of other prescribing professionals (e.g., physicians, nurse practitioners, physician's assistants, optometrists) in terms of their overall training in matters directly related to managing medications. The APA model is substantially less rigorous and comprehensive than the training required for all other prescribing disciplines. Whereas the training of psychologists in certain professional activities, such as psychotherapy and psychological assessment, is generally more comprehensive than that of practitioners in other fields, this is not the case for training in clinical psychopharmacology. The APA training model for prescribing even fails to meet the recommendations of APA's own experts in its Ad Hoc Task Force of Psychopharmacology (e.g., in terms of undergraduate prerequisites in biology and other sciences) and has other inadequacies (e.g., lack of explicit requirements for supervision; no accreditation of programs).

It is noteworthy that the APA training model is substantively less rigorous than the training that the 10 psychologists undertook in the experimental program of the Department of Defense (DoD). Despite the alarmingly small sample of that pilot program, which precludes generalizing from it, the fact that the current training model is far less comprehensive, and the fact that inadequacies were noted in some of the graduates of the DoD program, proponents of psychologist prescribing make the dubious claim that the DoD program justifies prescribing by psychologists. It does not! In fact, the final report on the DoD project revealed that the psychologists were "weaker medically" than psychiatrists and compared their medical knowledge to students rather than physicians. We oppose psychologist prescribing because citizens who require medication deserve to be treated by fully trained and qualified health professionals rather than by individuals whose expertise and qualifications have been independently and objectively assessed to be at the student level. At this point, the training is less rigorous, with most of the training occurring online.

Proponents of psychologist prescribing also have misleadingly invoked a range of unrelated issues to advocate for their agenda. An article in the *American Journal of Law & Medicine* entitled, "Foot's Gold: Psychologists Using Disingenuous Reasoning To Mislead Legislatures Into Granting Psychologists Prescriptive Authority" critiques the rationales that advocates of prescription privileges use to promote their cause. Proponents point to problems in the healthcare system, such as the rural and other populations that are underserved. Whereas such problems are indeed serious and warrant changes in the healthcare system, allowing psychologists to prescribe is neither an appropriate nor an effective response. Permitting relatively marginally trained providers to provide services is not an acceptable way to increase access to healthcare services where high quality health care is needed. Rather than relying on under-trained psychologists to prescribe, it would be much more sensible to develop mechanisms to facilitate psychologists' providing those services that they are highly qualified to provide (e.g., counseling) to those populations and to innovate other approaches for medically-qualified providers (for example, collaboration, telehealth) to leverage available services. It should be noted that most psychologists practice in urban and suburban areas: There is no reason to expect that prescribing psychologists would have a significant impact on compensating for the shortages of psychiatrists in rural and economically disadvantaged areas, where relatively few actually work. Other remedies are needed to address such problems that would not compromise the quality of care.

Other health professionals, including nurses and physicians, are also concerned about psychologist prescribing. However, this should not be seen as a simple turf battle: It is because of legitimate concerns that the proposals for training psychologists to prescribe are too narrow and abbreviated. The International Society of Psychiatric-Mental Health Nurses position statement asserts, "nurses have an **ethical responsibility** to oppose the extension of the psychologist's role into the prescription of medications" due to concern about psychologists' inadequate preparation, even if they

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Wendy Nisen, Ph.D.	University of Rochester School of Medicine	Wendy_Nisen@URMC.Rochester.edu
William Douglas Tynan, Ph.D., A.B.P.P.	Nemours Health & Prevention Services	wtynan@nemours.org
William Rubiner, Ph.D., A.B.P.P.	University of Minnesota Medical School	rubin005@umn.edu
Yessenia Castro, Ph.D.	UT Austin	ycastr1@manderson.org
Zeshan Butt, Ph.D.	Northeastern University	z-but@northeastern.edu
Frank Floyd	University of Hawaii at Manoa	ffloyd@hawaii.edu

to reason, to somebody who is mentally ill, you cannot, unless they are medicated.

"And what people here don't realize is if you don't reach that mental stability, the constitution requires that we release them. So I'm talking about unmedicated, mentally ill people in our community.

"I did not introduce this bill. I first came to see it when it came in front of CPC. Since then I've heard former Representative Santiago brought it up 20 years ago saying that it was needed, and I see it's need when I see my experience in it. This bill does not give psychologists prescriptive medication until they get rigorous medical education. And we have the UH Pharmacology School that does that. Every psychologist I know does not want to do this, because they know the type of rigorous continuing education they need to take. And this is in collaboration with a psychiatrist.

"With due respect to the only doctor in house, when I started practice, and I gave up in the '90s taking in court appointed mentally ill people, we had only two psychiatrists in East Hawaii, and that includes Hamakua all the way to Kau, only two psychiatrists, and both of them gave up their hospital privileges because they kept getting called in the middle of the night and they were just burned out. We need mental health treatment on the Big Island. We direly need it.

"From what I've heard when I talked to Fred Manke who is our 704 BOH specialist, he is a psychologist, he personally would not do this. He does not know of any psychologists who would do it, but he sees the need for it. And as such, after 20 years it's about time we passed it. Thank you."

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

"Thank you, Mr. Speaker. I stand in support. I do have some reservations, it's a work in progress. In particular, I want to look at Illinois and the original statute, because as you compare them side by side there seems to be protections in the original bill that Illinois does not have and vice versa. So just a flag for myself as this issue hopefully comes back from the Senate. Thank you."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered." [Note: Representative Thielen later changed her vote to a no vote.]

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

"In strong support. Some of the concerns are duly noted, it does need work, but this is a measure that will help neighbor islands with the lack of providers that we have and people not receiving healthcare that they need."

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

"Thank you, Mr. Speaker. In strong support. I'll note that I'm in strong support and I am voting my conscience. This is a bill that, as has been mentioned, has been with us. We voted on a similar measure in 2007. I appreciate the comments and, again, those concerns are duly noted. And as we continue to move this bill forward, I commit to looking at the bill that we passed in 2007, to look at the Illinois legislation, and to see the ways in which we can improve this measure to ensure access to quality mental health care in all of our communities. Thank you, Mr. Speaker."

Representative Tokioka rose to respond, stating:

"Second time. Rarely does that happen, but I'd be remiss to say, again with reservations. But I think, having the conversation with the Representative from the Fifth District, I think it would be very, very helpful for everyone to know that he has a degree in psychology, and the information and the input that I got from him this morning and yesterday was very, very helpful in the decision that I made today. Thank you very much, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1072, HD 1, entitled: "A BILL

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

"Thank you, Mr. Speaker. First of all, I'd like to thank the doctor from the Big Island for our discussion yesterday afternoon. It was very enlightening for me to hear his experience, especially since he lives in those rural communities where the argument has been made that they need to have this law or this measure passed to provide services to their most needy in their community. Because I had a similar conversation with the other Big Island Member of the Hawaii delegation who was on opposite sides of this issue, because she's seen firsthand the effects of not having the ability to have physicians or qualified physicians to treat.

"With reservations, because I had a very good conversation with him yesterday. But I also at the same time need to remark upon the comments also from another colleague from Hawaii Island who lives in those rural communities where they see some disparities of mental health services for the most needy, and this is why I believe she is an advocate for this particular measure.

"I don't know what the answer would be, and you've been around a long time, Mr. Speaker, in your former role as the Chair of the Human Services Committee, so I know you appreciate the consequence of our decision here. But I just want to thank him for being available and to follow through and try and work with his committee chair in finding the best solution, and even if there is an interim solution through a study, to work towards this important issue. Thank you."

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

"Mr. Speaker, I stand in strong support of this bill. I'm a country lawyer, and as a country solo practitioner I have been appointed by the court in the most damaging cases, where mental health is the most difficult issue I need to deal with.

"Short lesson on 704. Section 704 hearings are those who are criminally mentally ill. Before they are scheduled to go for a hearing, a mental stability exam needs to be determined so that they will have the ability to consent. If they are unable to consent, and the only way you could get them to reach that stability, is to have medication. Try as you might to talk,

FOR AN ACT RELATING TO PRESCRIPTIVE AUTHORITY FOR CERTAIN PSYCHOLOGISTS," passed Third Reading by a vote of 36 ayes to 15 noes, with Representatives Cachola, Choy, Creagan, DeCoite, Ichiyama, Jordan, Kawakami, Keohokalole, LoPresti, McKelvey, Onishi, Oshiro and Tokioka voting aye with reservations, and with Representatives Aquino, Cullen, Fukumoto Chang, Har, Matsumoto, McDermott, Ohno, Pouha, Takayama, Takumi, Thielen, Tupola, Ward, Yamane and Yamashita voting no.

Representative Luke, for the Committee on Finance, presented a report (Stand. Com. Rep. No. 906) recommending that H.B. No. 321, HD 1 pass Third Reading.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 321, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, in strong opposition. Can I proceed with where I left off or should I begin at the beginning? Again my apologies, Members. It must have been the drug that we were talking about or something like that.

"I can begin where I left off. I think I was saying, medicine is medicine, and therefore medicine should be treated like medicine because this is medical marijuana, and are we treating it like medical pharmaceuticals? It doesn't seem to be the case, because we're going to be doing dispensaries, 26 I believe are slotted into the various counties.

"But if it is medicine, Mr. Speaker, some of my colleagues and I agree that let's put it all where all the other pharmaceuticals go. Let's put it into Longs, let's put it into CVS, let's put it into Walgreens. Let's make it where, like some of the medicine that we get now, there's a prescription, there's an ID showing and there's all those particular protocols. We already established that. So if it's medical, let's treat it as medical, because, Mr. Speaker, some of these people really need this. And right there are, I think about 13,000, 14,000 of which there is 311 who are totally disabled who have no way of getting access to it. But everybody has access to Longs, to Walgreens, to other places that are already established, but we're going to reinvent the wheel. That's my first concern, Mr. Speaker.

"My second concern is that this is possibly going to create a black market. Why do I say that? Well, how much does it cost to get a dispensary license, according to this bill? Thirty thousand dollars. How much does it cost to get a license to be a dispensary like Longs or Walgreens? Three hundred thirty-eight dollars. Mr. Speaker, are we creating something outside of the norm of pharmaceuticals? I just don't understand how we can be doing that if our intent is to do this as a strictly medicinal entity.

"The prosecuting attorney mentioned that because of the high cost of a location, high cost of employees, high cost of packaging, high cost of these \$30,000 licenses, not only to get it but renew it every year. The guys on the street are going to see that the price that comes out of those packages of which we have no idea of these dispensary packages, we have no idea of which the cost will be. But people vote their wallets, and if it's cheaper on the streets, of which now I was told in the Finance Committee is \$20 per gram, \$20 per gram on the streets. Can that price be met by the dispensaries, because I would say, Mr. Speaker, other than those disabled, those other 12,500 or whatever are probably going to stay on the streets. And what does it tell to those growers that, hey there's a market here, they've got those dispensaries, it's getting legitimate. Let's get into the business of growing this stuff because there's not really any controls, as there is now. I mean, not even now. Everybody looks in another direction or away from what's really going on under our nose.

"So the first thing was medicine not being treated as medicine. The second thing is it's going to encourage a black market, and my third reason for objecting to this bill is the unintended consequences. Mr. Speaker, we always talk about a gateway to drugs. We always talk about alcohol, it's the way that people start out and they end up going more and more, I guess in a spiral way, into stuff that's tougher and higher. Well do we need another one? Do we need marijuana? Because some people have even said

that marijuana is already a gateway drug, and maybe it's still debatable. But do we need a gateway drug to again put people into a state of mind other than those who medically need it.

"And secondly, an unintended consequence may be that, well we're setting up shop after 13, 14, 15 years for medical marijuana, but what we're really just saying and getting the slicks ready for recreational marijuana. Mr. Speaker, that's a slope that I think a number of other states have entered on, and it's one that we know that we could enter on very easily here.

"So for the reason that we're treating medicine as medicine, there's unintended consequences, and the fact that we may create a black market, we should be very cautious, slow down this, see what's going on in Colorado and the mainland, don't jump out in front just for the sake of having so many years that we haven't done anything, and do this thing if we're going to do it, do it right and do it now with the right approach to it. Not with this bill. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise with reservations. Thank you. I wanted to preface my remarks by thanking the Public Safety Chair, the Health Chair and the Judiciary Chair, because I think this is an earnest effort to build a robust regulatory structure, which I think is needed. If we're going to go down this path, that has to be a precursor.

"My main reservations revolve around tightening up the link between production centers, dispensaries, patients and caregivers, and I think that's something that's been noted by those respective Chairs is their intent, which I appreciate. But for public safety and to do this right, I do think that we need to continue to work on this bill to make sure that there is indeed that robust regulatory structure. Thank you."

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

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

"Thank you, Mr. Speaker. In opposition. Mr. Speaker, first and foremost, I do have an article here from The Hill newspaper, and it deals with a January 2015 article regarding the Governor of Colorado, John Hickenlooper, stating that legalizing marijuana in the State of Colorado was a bad idea. Essentially he notes that banks are reluctant to finance marijuana businesses in states where it is legal because federal law still lists marijuana as an illegal drug. Congress would still need to pass a law removing that language. So for the record, I'd like to submit this article for the record.

"In addition, Mr. Speaker, I have a letter here from the Under Secretary of Defense. Obviously this is becoming an issue with all the states, so the Under Secretary of Defense had submitted a letter for distribution to all military personnel, essentially advising that legislative changes by some states and the District of Columbia do not alter federal law or existing national security guidelines. Agencies continue to be prohibited from granting or renewing a security clearance to an unlawful user of a controlled substance, which includes marijuana. So for the record, I'd also like to submit this into the Journal.

"Mr. Speaker, just very briefly, I do appreciate the work that was done by the Health Chair, I think she actually has some very good points and she worked very hard, diligently, to really try to reign in some of the pitfalls that could occur through the *de facto* legalization of marijuana.

"With that said, Mr. Speaker, with the prevalence of Kona Winds, many people like my husband suffer from the effects of vog. He relies on decongestants combined with allergy medicine to be comfortable and to carry on with his daily life. In order to do this he has to sign a declaration that he will not use the decongestant for illicit purposes, and the volume of decongestant that he has purchased must be reported to that pharmacy. The pharmacy reports it back to a registry to regulate the amount of decongestant he can have at any given time.

"Ironically, House Bill 321 makes obtaining medical marijuana easier than purchasing a decongestant. There is a lack of proportionality here, as the threat from marijuana significantly is greater than the threat posed by decongestants. Here we have decongestants that must be chemically refined to a more similar narcotic than that required by regulation. Compare that to marijuana which is ready to use after the time of purchase.

"In addition, my concern arises from the fact that the committee report recommends prohibiting a medical marijuana purchaser from withholding information about previous purchases from other dispensaries in order to obtain unauthorized marijuana or manufactured marijuana products. While we are looking at a treatment option poses a greater threat to public safety in the wrong hands, with the absence of any database or registry or tracking, we can only assume that the only enforcement mechanism is the honor policy. I find that frightening, Mr. Speaker, and a slap in the face to allergy sufferers everywhere. There is still nothing in the HD 1 that prevents a user from going to multiple dispensaries in one day and collecting four ounces at every visit to accumulate more for themselves and who else knows. Who will they be distributing it to?

"The Chair goes on to note at the end of the committee report, 'your Committees, however, have concerns that the revenues generated may not be sufficient to sustain a regulated system of medical marijuana dispensaries and cultivation centers. Accordingly, your Committees respectfully request that the Committee on Finance also consider whether other financing options, such as additional fee structures or taxing methodologies, are necessary to ensure that regulation of the system of medical marijuana dispensaries and production centers' will continue.

"Taxation, or even fee based assessment on an honor policy, is doomed to fail, Mr. Speaker. We know how that ends, it's called the deposit beverage container program, and we know how that worked out. Mr. Speaker, for those reasons I stand in opposition. Thank you."

Representative Har submitted the following *The Hill* article:

"Governor: Legalizing pot was bad idea

By Kevin Cirilli - 01/23/15 09:42 AM EST

Colorado's decision to legalize marijuana was a bad idea, the state's governor said Friday.

Gov. John Hickenlooper, a Democrat who opposed the 2012 decision by voters to make pot legal, said the state still doesn't fully know what the unintended consequences of the move will be.

"If I could've waved a wand the day after the election, I would've reversed the election and said, 'This was a bad idea,' " Hickenlooper said Friday on CNBC's "Squawk Box."

"You don't want to be the first person to do something like this," he said.

He said that he tells other governors to "wait a couple of years" before legalizing marijuana as Colorado continues to navigate an unknown, nonexistent federal regulatory landscape for the industry.

"There's a whole regulatory environment ... that really regulates alcohol," he said. "We're starting from scratch, and we don't have a federal partner because [marijuana] is still illegal federally."

In February 2014, the Obama Administration released guidelines for the marijuana industry indicating federal officials would not target financial institutions or businesses engaging in selling pot as long as those businesses were compliant with state laws.

Despite the guidelines, banks are reluctant to finance marijuana businesses in states where it is legal because federal law still lists marijuana as an illegal drug. Congress would need to pass a law removing that language.

Marijuana is legal in four states: Colorado, Oregon, Alaska and Washington. Congress has blocked the District of Columbia from legalizing pot, after voters in November cast ballots that they wanted to make the drug legal."

Representative Har also submitted the following:



UNDER SECRETARY OF DEFENSE
5000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-5000

NOV 17 2014

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Adherence to Federal Laws Prohibiting Marijuana Use

The attached Director of National Intelligence Memorandum, "Adherence to Federal Laws Prohibiting Marijuana Use," October 25, 2014, advises that legislative changes by some states and the District of Columbia do not alter federal law or existing National Security Guidelines. Agencies continue to be prohibited from granting or renewing a security clearance to an unlawful user of a controlled substance, which includes marijuana.

I request widest dissemination to your workforce. The point of contact is Mr. Carl Kline at (703) 604-1176 or carl.l.kline.civ@mail.mil.

Michael G. Vickers

Attachment:
As stated

DISTRIBUTION:
Secretaries of the Military Departments
Chairman of the Joint Chiefs of Staff
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Chiefs of the Military Services
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DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC 20511

ES 2014-00674

MEMORANDUM FOR: Distribution
SUBJECT: Adherence to Federal Laws Prohibiting Marijuana Use
REFERENCES:

- A. Executive Order 13467, *Reforming Processes Related to Suitability for Government Employment, Fitness for Contractor Employees and Eligibility for Access to Classified National Security Information*, 30 June 2008
- B. *Investigations and Prosecutions in States Authorizing the Medical Use of Marijuana*, Memorandum for Selected United States Attorneys, Deputy Attorney General David W. Ogden, U.S. Department of Justice, Office of the Deputy Attorney General, 19 October 2009
- C. *Guidance Regarding the Ogden Memo in Jurisdictions Seeking to Authorize Marijuana for Medical Use*, Deputy Attorney General James M. Cole, U.S. Department of Justice, Office of the Deputy Attorney General, 29 June 2011
- D. *Guidance Regarding Marijuana Enforcement*, Memorandum for All United States Attorneys, Deputy Attorney General James M. Cole, Department of Justice, Office of the Deputy Attorney General, 29 August 2013
- E. *Federal Controlled Substances Act* (title II of the Comprehensive Drug Abuse Prevention and Control Act) 21 U.S.C. 801 – 971 (1970)
- F. The Intelligence Reform and Terrorism Prevention Act (IRTPA), as amended, 50 U.S.C. 3343 (2008)
- G. Executive Order 12564, *Drug Free Federal Workplace*, 25 September 1986
- H. *Adjudicative Guidelines for Determining Eligibility for Access to Classified Information*, 29 December 2005
- I. Intelligence Community Policy Guidance ICPG 704.2, *Personnel Security Adjudicative Guidelines for Determining Eligibility for Access to Sensitive Compartmented Information and Other Controlled Access Program Information*, 2 October 2008

In recent years, several states and the District of Columbia have decriminalized the use of marijuana, allowing the use of marijuana for medicinal purposes or for limited recreational use. These changes to state law resulted in inquiries from a number of agencies about the impact to

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SUBJECT: Adherence to Federal Laws Prohibiting Marijuana Use

adjudications of persons proposed for eligibility for access to classified information or eligibility to hold a sensitive position. As the Security Executive Agent, I am responsible for issuing guidelines and instructions to agencies to ensure appropriate uniformity in processes relating to personnel security investigations and adjudications (Reference A). The purpose of this memorandum is to set out guidance in this area.

The Department of Justice issued guidance (References B, C, and D) making it clear that no state can authorize violations of federal law, including violations of the Controlled Substance Act (Reference E), which identifies marijuana as a Schedule I controlled drug. Moreover, IRTPA, as amended (Reference F), specifically prohibits a federal agency from granting or renewing a clearance to an unlawful user of a controlled substance or an addict, and under federal law, use of marijuana remains unlawful. Last, Executive Order 12564 (Reference G) mandates a drug-free workplace and drug-free federal workforce, and expressly states that use of illegal drugs on or off duty by federal employees in positions with access to sensitive information may pose a serious risk to national security and is inconsistent with the trust placed in such employees as servants of the public.

Accordingly, in keeping with statute, executive order, and Department of Justice guidance, I remind agency heads that changes to state laws and the laws of the District of Columbia pertaining to marijuana use do not alter the existing National Security Adjudicative Guidelines (Reference H and I). An individual's disregard of federal law pertaining to the use, sale, or manufacture of marijuana remains adjudicatively relevant in national security determinations. As always, adjudicative authorities are expected to evaluate claimed or developed use of, or involvement with, marijuana using the current adjudicative criteria. The adjudicative authority must determine if the use of, or involvement with, marijuana raises questions about the individual's judgment, reliability, trustworthiness, and willingness to comply with law, rules, and regulations, including federal laws, when making eligibility decisions of persons proposed for, or occupying, sensitive national security positions.

Heads of agencies are expected to advise their workforce that legislative changes by some states and the District of Columbia do not alter federal law or existing National Security Guidelines. Agencies continue to be prohibited from granting or renewing a security clearance to an unlawful user of a controlled substance, which includes marijuana. Questions pertaining to this memorandum should be directed to Ms. Pamela Dempsey at (571) 204-6505, or by email to SEC EA@DNI.GOV or SEC EA_WMA@CIA.IC.GOV.


James R. Clapper

25 OCTOBER 2014
Date

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SUBJECT: Adherence to Federal Laws Prohibiting Marijuana Use

Distribution:

- Secretary of Agriculture, Department of Agriculture
- Secretary of Commerce, Department of Commerce
- Secretary of Education, Department of Education
- Secretary of Energy, Department of Energy
- Secretary of Health and Human Services, Department of Health and Human Services
- Secretary of Homeland Security, Department of Homeland Security
- Secretary of Housing and Urban Development, Department of Housing and Urban Development
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- Attorney General, Department of Justice
- Secretary of Labor, Department of Labor
- Secretary of State, Department of State
- Secretary of Transportation, Department of Transportation
- Secretary of the Treasury, Department of the Treasury
- Secretary of Veterans Affairs, Department of Veterans Affairs
- Director, Central Intelligence Agency
- Director, Defense Intelligence Agency
- Director, Office of Intelligence and Counterintelligence, Department of Energy
- Under Secretary, Intelligence and Analysis, Department of Homeland Security
- Assistant Secretary, Bureau of Intelligence and Research, Department of State
- Assistant Secretary, Intelligence and Analysis, Department of Treasury
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- Executive Assistant Director, Intelligence Branch, Federal Bureau of Investigation
- Director, National Geospatial-Intelligence Agency
- Director, National Reconnaissance Agency
- Director, National Security Agency
- Director, United States Secret Service
- Under Secretary of Defense for Intelligence, Department of Defense
- Director, Bureau of Alcohol, Tobacco, Firearms and Explosives
- Director, Broadcasting Board of Governors
- Administrator, Drug Enforcement Administration
- Administrator, Environmental Protection Agency
- Administrator, Equal Employment Opportunity Commission
- Chairman, Federal Reserve Board, Federal Reserve System
- Chairman, Federal Communications Commission
- Chairman, Federal Maritime Commission
- Chairman, Federal Trade Commission
- Administrator, General Services Administration
- Director, Information Security Oversight Office
- Chairman, International Trade Commission
- Director, Office of Management and Budget
- Administrator, National Aeronautics and Space Administration

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SUBJECT: Adherence to Federal Laws Prohibiting Marijuana Use

Distribution (cont'd):

- Archivist, National Archives and Records Administration
- Director, National Science Foundation
- Commissioner, Nuclear Regulatory Commission
- Director, Office of Government Ethics
- Director, U.S. Peace Corps
- Director, Office of Personnel Management
- Chief Postal Inspector, U.S. Postal Inspection Service
- Chairman, Securities and Exchange Commission
- Director, Office of Science and Technology Policy
- Director, Selective Service System
- Administrator, Small Business Administration
- Commissioner, Social Security Administration
- Administrator, United States Agency for International Development
- Commissioner, United States Customs and Border Protection
- U.S. Trade Representative
- Director, White House Office of the National Drug Control Policy
- Office of Board of Governors, United States Postal Service

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

Representative Ichiyama's written remarks are as follows:

"Thank you very much, Mr. Speaker. I have serious concerns about HB 321. First, I am concerned about the minimum 26 dispensaries and 30 production centers that this bill mandates the Department of Health to open. These numbers are a floor, not a ceiling. Twenty-six separate dispensaries spread across our state will be difficult to administer and unless strict controls are applied, can quickly spiral out of control. I would prefer a pilot program to be started in one county, then expanded statewide, so that we can assure such strict controls.

"Second, I oppose the provision in this bill that would prohibit the counties from adopting zoning ordinances to regulate the dispensaries. Zoning laws protect property values and improve quality of life for residents. They also protect public health, safety and welfare. Currently, zoning ordinances regulate other types of businesses, and dispensaries should not be exempt.

"Third, I am troubled by the exemption from Chapter 91 rulemaking for the Department of Health for the first two years of this program. The bill requires the Department of Health to create administrative rules for many sensitive issues regarding dispensaries, including, but not limited to: inventory tracking measures, employee background checks, security requirements, audit requirements, advertising and packaging. Thirty production centers will open in 2016 and 26 dispensaries will open in 2017. Under the current language of this bill, the public would have absolutely no input on the rules and regulations governing their operation.

"For these reasons and others, I vote with reservations on this bill. I hope that the Senate will carefully examine this measure if it moves forward in the legislative process. Thank you very much, Mr. Speaker."

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

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

Representative DeCoite's written remarks are as follows:

"Thank you, Mr. Speaker. I am writing with reservations on HB 321, HD 1.

"Mr. Speaker, I strongly support the use of marijuana by individuals that have a legitimate medical reason to do so. If marijuana can help a child with epilepsy, then I can definitely see the legitimate medicinal use for it, contrary to marijuana's Schedule I classification. There are patients out there that legitimately need this. For them, this is not a recreational endeavor, but a medical one which sets them on the path to better health.

"Clearly, marijuana's current federal legality and social stigmas are what makes creating legislation for marijuana at the local level so problematic. One could effectively argue that the most harmful aspects of marijuana are the laws surrounding it and their consequences, rather than its physiological and psychological effects. More bad legislation will only complicate this problem.

"That being said, we have to deal with the fact that we potentially need a legal system in this state to obtain marijuana. To some of our citizens, it makes no sense to have medical marijuana legal with no legal way to obtain it other than growing it themselves.

"This bill is well intended, however, I have reservations to this bill in its current form. First of all, why do we need a minimum of 26 dispensaries to start with? Why are we not implementing a pilot program in each of the counties first to see what works and doesn't work with each region of the State? In Oahu we may need 26 whereas on Molokai we may only need one.

"We need to do the research to see how many people actually really need the services of a dispensary. It's not enough to just look at what other states did, because what works for them will not always work for us. Depending on the level of need, it may be easier to set up a registry of state approved growers that patients can utilize to assist them in growing their medicine, effectively cutting out the dispensary middleman system.

"Unfortunately, this measure creates a mess for our state. Aspects of this measure, such as allowing operators of a dispensary to travel interisland with marijuana, are in violation with federal law. The truth of the matter is, until the federal government changes the way it handles marijuana, no state can safely pursue any actions with cannabis, medical or otherwise, without undue legal implications.

"This measure also further complicates matters at a state and county level because it doesn't allow the counties the necessary authority to regulate the placement of these dispensaries, among other things. If we are going to force the counties to adopt a dispensary system, we need to give them the tools to best incorporate these businesses into their communities.

"As attractive as the profits look in places like Colorado, let's not forget that expanding our state's involvement into medical marijuana will inevitably cost the State money. Whether it is for increased law enforcement training or more regulatory personnel and programs, our taxpayers will be footing the bill even though they are not participants in the medical marijuana system.

"Finally, let's not forget the extreme potential for corruption that this will bring into the State. I loathe to think of all the people out there who are going to ruin an honest attempt at helping patients, in order to turn it into a for-profit driven venture. With the way this measure delineates the dispensary system, I can easily envision it turning into big business. I don't want to see marijuana made into the next tobacco and marketed to our youth by the same people who marketed cigarettes to us almost a century ago.

"I am also concerned about the influx of illegal activity that the dispensary system could potentially foster. Criminal elements are already adept at the marijuana business, what is going to stop them from getting their hands in it when there is a legal avenue? This bill has the potential to lead us down that road.

"How will we decide who runs these dispensaries? In the bill there is no protection of local interests. Anyone who can afford to pay the steep fees for a dispensary license can effectively come to Hawaii and open up shop. We don't need any more outside interests coming into this state to make money off of our people when we have plenty of citizens in this state that could run these operations. I want to see this system stay a purely local one if we are to create a dispensary network.

"The fact of the matter is that this is uncharted territory for the State of Hawaii. To rush into this without doing the proper research and due diligence will be just as bad as sitting back and doing nothing at all.

"Mr. Speaker and distinguished Members of this Body, I urge everyone to please take careful consideration of the implications of HB 321 as we move towards conference. Thank you."

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

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

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

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I will be voting with reservations on this bill. Although I support medical marijuana dispensaries as well as home rule, I believe that

this bill does not provide for home rule in oversight of the dispensaries. Therefore, Mr. Speaker, I vote with reservations."

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

"In support. I also would like to echo the comments made by the Representative from Hawaii Kai, that this should be treated like medicine. It should be in pharmacies. Unfortunately, it cannot be until it's reclassified on the federal level. This is the best we have right now, dispensaries."

"This is a big problem. On Maui last year an individual by the name of Brian Murphy, who operated a Paia dispensary called Patients Without Time, was arrested, and he faced 250 years possibly in prison, so he pleaded no contest. And instead of getting probation, he got put in prison. For doing a good deed, really. First we need to pass this bill, then we need to free Brian Murphy. Thank you."

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

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

"Mr. Speaker, reservations. Very briefly, my reservations is that, as a clinical social worker that worked with children and adolescents and adults who used marijuana as young children, teenagers, and also in their adult life, and seeing the effects that impacted their ability to hold jobs, their memory loss, and some of the other impacts and social impacts both on them as well as their family, I have strong reservations. Thank you."

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

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

"Mr. Speaker, in opposition. Mr. Speaker, this is simply the framework for full legalization two to three years down the road. Why else would you need 26 dispensaries? You're only selling one product. Imagine if you opened a drug store and you only sell one product, Tylenol 3. Now, that's prescribed a lot more than medical marijuana, but there's no way you could stay afloat. You couldn't keep your doors open because there's not enough business, not enough revenue."

"That plus the fact that the local communities, the counties, have no say in where these things will be located. If you don't like it, you go see your councilman, tough luck. So that is a dirty secret here. This is merely the infrastructure so we can come back two to three years from now and implement full legalization. That's what this is about. It's not about helping sick people. Thank you."

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

"Thank you, Mr. Speaker. In opposition. And I think there is a typo in the bill on number one where it says not 'less' than 26 dispensaries. We're going to go from zero to 26 in less than four years, and so I think that's very problematic, and I am voting in opposition to this bill. Thank you very much."

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

"Thank you, Mr. Speaker. In opposition. I just wanted to thank the Health Chair. She took the time to sit down with me and I vetted my concerns to her. She did a really good job at incorporating people's concerns and trying to make it work. I have the same concerns as the Representative from Mililani and the Representative from Kauai."

"In addition to that, I think that there could be a possible win-win if we roll out a pilot now. Like the sentiments of my colleague from Hawaii Kai,

we need it now. If we could roll it out now and have safeguards in place so that we could check or reassure that some of these concerns are vetted out before it rolls into a full statewide system, I would support that. Making sure that a good pilot program is run where everyone's on board. Anything that might be questionable is worked out and then it pushes forward as an as-needed basis, when we need those many it rolls out. And so those are my concerns and those are my comments. Thank you."

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

"In support. Mr. Speaker, I just wanted to note to the Members of this Body that 19 other states have already been operating dispensaries, some of them for a number of years. I know there's been concern expressed over the number of dispensaries proposed in this measure, 26, and I can say that as a member of the task force whose report formed the basis of this measure, that the task force tried to strike a balance between making medical marijuana accessible, while at the same time not being overly permissive. And in doing so the task force, I think, found a reasonable balance."

"There are some states that authorize fewer dispensaries than 26, and there are some that authorize many more. For example, the State of Massachusetts authorizes 35 dispensaries, and in the State of Arizona, 124. Some states have no limit on dispensaries at all. It was pointed out that the State of New York with its much larger population only allows 20 dispensaries. This was under a law that was enacted last year, and without the benefit of having compiled a list of medical marijuana patients. In comparison, Hawaii has had 15 years of compiling a list of medical marijuana patients that now consists of 13,000 patients. And so the task force decided that reasonable accommodation would be to provide one dispensary for every 500 patients. This also takes into account the fact that we are trying to serve six different islands, between which air transportation of marijuana is not legal."

"And so in summary, I just want to point out that this measure does not legalize marijuana. What it does do is deliver on a promise that was made 15 years ago to medical marijuana patients, and it does so in a manner that I believe is both safe and responsible. Thank you."

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

"Mr. Speaker, with reservations. I really wasn't going to speak on this measure but I'm feeling a little compelled to. As the Public Safety Chair has stated, it's been 15 years that we allowed individuals to carry a little blue card, and that's not to work in a bar such as I did when I was 18 years old. It's for these individuals to have the ability to either grow or get in some illegal way their medication. And when we talk about disservice, when this Legislative Body hasn't provided a safe meaning and protective way for individuals to purchase their medication, I think that's a disservice to our constituents."

"It became very personal for me when one of my great friends from childhood days, we're great friends but we took two different paths. You see, she didn't drink, she didn't smoke cigarettes, she didn't promote any type of illicit activities. They went to church every Sunday. I, on the other hand, took the other path. I really enjoyed life."

"And her mother became blind and then got cancer. And I met up with my good friend after her mother passed away and she had to tell me that, Jo, the only way that we could soothe her pain and agony was to illegally obtain marijuana. And I know this lady probably had a very difficult time smoking marijuana. And they didn't even have the time to get her a blue card."

"We're talking about helping people with compassion, or helping a child that may need it for epilepsy, or helping an individual that may have a terminal disease. That's what we're talking about here, Mr. Speaker."

"I have some issues with the measure. It is a work in progress. It does have a defective date. I called out in the two hearings that I sat on, what are we doing on the financial end, because in the big picture world, if we

do set up dispensaries, how are they going to be able to transact? Depositing all this cash into a banking institution is still illegal. You can't just walk into a public banking facility and say, can I have a million dollar loan to open up a dispensary? It's illegal.

"We still haven't discussed the financial aspect of this outside of how much it may cost my Department of Health to operate a program. I understand a \$30,000 fee and a renewal fee of about \$20,000. We need to make it work in our Department of Health without costing more taxpayers' General Fund monies. And that's still a burden upon those individuals that may need that medication.

"I haven't heard, if I have a patient that walks into a dispensary are they going to get quality tested material. I haven't heard that yet because we don't have testing facilities here for these THC counts or CBC counts. I'm waiting for this to go through some more process, but at the end of the day we must provide something for individuals.

"Now we know on the other side of this building they're bringing over a bill that may decrim up to a specific amount, and I think that's a little too soon to be discussing that, when we can't even get our state in order to provide medication for individuals that we give a little card too and say good luck, and then may prosecute them if they're caught smoking in public somewhere. So at this point in time it's with reservations, Mr. Speaker, and I hope it comes back to the Floor where we can have a more vibrant discussion before the end of session. Thank you very much, Mr. Speaker."

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

"Thank you very much, Mr. Speaker. In support. I think much of the comments on the Floor today was in essence saying that we shouldn't even have medical marijuana, but I think that horse has left the barn. Hawaii has passed out a medical marijuana law some years ago, and was alluded to by a previous speaker that we have 13,000 people in our state who currently are able to smoke medical marijuana. The question then before us today is whether or not we create a system whereby people can be ensured that they have access, that the quality's there, that the security is there, and that all the safeguards are present.

"I wanted to address directly the whole question about that marijuana is a gateway drug. There've been many studies. In fact, in 1999 Congress commissioned a study done by the Institute of Medicine of the National Academy of Sciences that indicated that marijuana is not a gateway drug. In fact, Mr. Speaker, the most abused drug in the United States are legally prescribed drugs. Second and third most abused drugs in our country are readily accessible. You can get them at a tobacco shop or liquor store.

"The reason why marijuana is considered, in a myth, a gateway drug, is because it is the most widely accessible illegal drug. It would be you're making the mistake of equating correlation with cause. I'll give you one example, Mr. Speaker. Many of us rode bicycles when we were kids. Some of us who rode bicycles later became fans of riding motorcycles. A small fraction of those who ride motorcycles became Hells Angels. It doesn't mean that bicycles are the gateway vehicle to become a Hells Angel. Those who don't ride bicycles are less likely to ride a motorcycle, ergo very unlikely that they will become a Hells Angel. Do not confuse correlation with cause. Thank you."

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

"Mr. Speaker and Members, I'm up for this bill and very strongly because I believe that this bill is a compassionate bill. This bill will provide relief to the mother of an epileptic child. It will provide relief to a parent who is suffering from cancer. So, Members, just think about it. Think of this not as a drug, but as a compassion item that you're helping somebody out there to relieve the pain that they have. To relieve the child from that epileptic seizure. To allow cancer patients to eat and hopefully get strong enough, hopefully to get well, and more so. So I ask you not even to vote with reservations, to vote up. This is a good bill. Thank you very much."

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

"Strong support. I ask that the comments of the Public Safety Chair and Speaker of the House be entered into the Journal. I just want to reemphasize, 13,000 people, 14 years we've abandoned them. We ought not to lack the courage to have compassion. Thank you," and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. In support. I'd just like the words of the Speaker of the House, the Chair of Education, and the Chair of Public Safety entered into the record as if they were my own. But I would also like the words of the good Representative from Waianae entered into the record as if they were my own, because I do believe more work is needed on some very detailed mechanics for this program to work. Thank you," and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. With reservations. And I just want to make something very clear, that I'm against the legalization of marijuana. I just don't believe that that is what we're doing today.

"So the reason why I'm voting with reservations. Well first, the reason I support it and I'm not against it, there's a little girl in my district that a lot of you have already met who is suffering from seizures, and the only thing that her mother has been able to do is give her medical marijuana, and she has no legal means to obtain that marijuana. And her story has really helped to change some of my perspective on this issue, and changed a lot of her neighbors' perspectives. I come from a pretty conservative community, but I think most of us can agree that if it helps this little girl, and for her it is a medicine, then we want to do something to help fill out the law, which essentially is half a law right now, Mr. Speaker.

"We allow people to get a card for medical marijuana but we don't give them any way to get it, which means that this mother of this child in my district has to grow her own marijuana, which means she has to get home every night through traffic and work on this, just to hope that she has enough to be able to make the oil that her kid needs. And most of her neighbors and most of my neighbors understand that there is a problem here when a mother and a child are suffering.

"And for me, that's what this is about, that is why I am in support. But I do have some reservations because I think there are a lot of loopholes that we have to close up, including loopholes in the underlying program, because there are still people that are getting medical marijuana that probably shouldn't have it, that maybe don't have true medical needs, and I think we need to make sure that if we're going to treat this like a medicine and if we at least in our state are going to say this is medicine, then we need to make sure that there isn't abuse of that medicine either. So thank you, Mr. Speaker, with reservations."

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

"Thank you, Mr. Speaker. No reservations whatsoever, Speaker, no reservations, in strong support. Mr. Speaker, a bipartisan measure has been introduced in the United States Senate, and it's to legalize medical marijuana, the one thing that the bipartisan group can agree upon in Foggy Bottom in Washington D.C. I think we are finally doing the compassionate thing that we should have done 15 years ago, and I give great credit to the Speaker because he knew that 15 years ago, and we finally are catching up. Thank you, sir."

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

Representative Ing rose to respond, stating:

"Still in support. I just wanted to note that this isn't a new issue. We passed medical marijuana, first in the nation, over 15 years ago now. This is just the final piece in the puzzle, piece of the puzzle to actually make it work. In 2009 actually the Hawaii State Legislature issued a resolution

congratulating Brian Murphy for operating his Paia dispensary, Patients Without Time, and assisting Hawaii's certified medical marijuana patients with the acquisition of their medical marijuana. So it was our intent 15 years ago, it was our intent 6 years ago, and it's about time that we complete the puzzle. Thank you."

Representative Keohokalole rose to respond, stating:

"Still in support with reservations. I didn't take the opportunity earlier to thank the Health Chair and the Public Safety Chair for their work on this bill. I do support the intent of this bill. I do believe that medical marijuana can be used to alleviate serious medical conditions, and I am in support of the concept of allowing those who need the help to get the help that they deserve. The reservations I have come from the experiences that have taken place in some of the other states that have enacted similar provisions to this. I'd like to reference the DEA website, referring to their position on medical marijuana, and the grave concerns that they have with the link between marijuana grow operations in different states and their connection to illegal drug trafficking organizations.

"In Denver in October, a medical marijuana dispensary was raided, alleging that money was funneled from Columbia to a corporation in Colorado for use to open a dispensary or grow operation. In California, there have been numerous raids by the DEA too, of medical marijuana dispensaries and grow operations because of their alleged ties to drug trafficking organizations. If this is going to be a local effort, which it needs to be in order for this program to take place, I just would like to stay engaged on this topic to ensure that we are properly accounting for this issue.

"In a letter from the Department of Justice to the states, the Attorney General mentioned a group of guidelines to the states who are enacting these programs to ensure that they were properly regulating dispensaries to prevent revenue from the sale of marijuana from going to criminal enterprises, gangs and cartels. In reference to the LA raid, which was in the LA Times, that actually was in October, the Denver raid was in April, the DEA mentioned that states who were regulating marijuana shops, if they intended to avoid federal action taken against their state operators, that the states needed to ensure that they got their regulatory act together.

"I just hope that we are taking proper precautions to make sure that the folks who are growing this crop and who are dispensing this crop are people who are upstanding farmers and people who have the best intentions. I'm particularly concerned given the comments of the Representative from Waianae regarding financing of marijuana operations and the fact that there is such a steep permitting threshold. And I wonder who the organizations are or who the people are that are going to be able to do this type of industry."

Representative Ohno rose to yield his time, and the Chair "so ordered."

Representative Keohokalole continued, stating:

"People who have cash flow to enter into this business. People who have the experience and the logistical capability to run a marijuana grow operation and operate a distribution network to dispensaries within the guidelines of the regulatory framework that we established.

"So like I said, I do support the policy, I do support the ability of people who are sick to get the medicine that they deserve, but we have a federal drug framework for a reason, and I think we need to stay cognizant of the fact that the pharmaceutical industry is highly regulated for a good reason, and that's partly because of the reasons that I've mentioned earlier. So for those reasons, I stand in support with reservations. Thank you."

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

Representative Cullen's written remarks are as follows:

"Mr. Speaker, I am in opposition to HB 321, HD 1. The task force established last session was not completed, and although a report was submitted to the Legislature, it seems that this issue still has many

unanswered questions. The establishment of medical marijuana dispensaries and production centers statewide is not necessary, because we have a current law that will undermine this measure being considered.

"This bill provides insufficient standards for enforcement, which may increase illicit distribution, and the funding to create this program is limited. There are currently over 13,000 registered medical marijuana users across the State, and while we need to allow them the accessibility to this holistic medication, we must not forget our responsibilities. We need more time to create a program that will meet the needs of medical marijuana users, while ensuring the safety of our communities."

Representative Kawakami rose to respond, stating:

"Second time, Mr. Speaker, and thank you so much for the opportunity. I feel compelled to express my reservation beyond written comments based on the conversation. I just would like to express that my reservations, as a proponent of home rule, is that, as a proponent of home rule and as a proponent of medicinal marijuana, this bill strips all home rule authority from the counties. I feel that this is a zoning issue.

"Mr. Speaker, when a developer goes in, whether it be a resort, whether it be a community, whether it be an affordable housing project, there are a number of conditions that our planning commissions, that our county councils, are afforded to be a part of that conversation to get more out of the deal. And I would say that this bill does not have any provisions for home rule, and that is what I'm basing my reservations on.

"I'd also like to say that I'm very uncomfortable with the amount of dispensaries that we're going to be allowing in the State. I don't think that there's any harm in starting slowly to see how things are moving. And I would like to point out that the public safety, that the crime is not from the drug doing, whether it be prescription drugs, medicinal marijuana or illicit drugs, it's from the drug dealing. Thank you, Mr. Speaker."

Representative Ward rose to respond, stating:

"Mr. Speaker, still in opposition. I want to thank my colleagues from the Big Island and Kauai for reminding me of the other unintended consequences that I didn't elaborate on. Particularly, as just spoken by the Representative from Kauai, the NIMBY factor that's going to be between we the legislators at the State level, and those at the county level. And how many here are going to say, not in my district, not in my backyard? Who's going to come up with that?"

"But the second and important thing that makes me rise again, Mr. Speaker, is that I saw some people's body language saying, criminal elements, no this is all medical marijuana. How can there be criminal elements in this issue? Well, I think the good doctor from the Big Island has a colleague in the Senate who's a good doctor who used to be in this Body, Senator Green, I'll mention him by name, because he said there was a particular doctor who would fly in from the mainland, set up in a hotel, and people would come in with the cash in their pocket and he would write out their medical marijuana certificates for three or four days, stuff all the money in his pocket, fly back to California. Those who are getting those medical marijuana certificates are probably not up to very much good that has anything to do with the medicinal and the compassion that we have to have for those people who need it.

"So, Mr. Speaker, if we're going to have medical marijuana, let's treat it like medicine. Let's not categorize this thing over in some special place, like when Viagra came out, should we have had Viagra clinics only soliciting those kind of things. Now we've got marijuana, we've got to specifically say that we have a clinic just for marijuana dispensary. What's the logic? If you can get the same thing at Ross, why do you have to go to Nordstrom? The black market is going to rise up in this occasion, and it's going to make a big difference. For those reasons, Mr. Speaker, again I'm still not for this bill. Thank you."

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

"Mr. Speaker, I'll be very brief. I'm in support with reservations. As a former Speaker, yes, I was part of the legalization of medical marijuana, but more importantly it was at a point in time it was under the jurisdiction of the Department of Public Safety. After that it became the jurisdiction of the Department of Health, and because it was more on the medical side I can appreciate it.

"The only reason why I'm going with reservations this afternoon is very easy. Can we, as this Legislative Body, as you pass the budget next week, to address the issue of funding the Department of Health in the execution and implementation of what the House Draft has before us. If it does not, I think a lot of the discussion on the Floor is absolutely correct. You'll get the underground, you'll get the cartels, marijuana companies with money that will infiltrate the State of Hawaii at the expense of the general public of the State of Hawaii, our *keiki o ka 'aina*.

"I am concerned. Who determined what was 26 or 23 dispensaries? Not any of you on this Floor of the House. Can the Department of Health really implement a program without the support of the counties, which I brought it up at the House Judiciary in regards to who is going to enforce it. My thought was the Liquor Commission. They go to the all the bars and enforce the liquor laws. Would you like the Attorney General's Office, then you set up, you find the money to set up a unit within the Attorney General's Office to have overall control.

"But at the end of the day, my whole point is this. As this measure moves through, we hope the Senate will try to address my concerns that I brought to this Floor of the House this afternoon. Because I am concerned. I am concerned of what has happened in Colorado with the legalization. I am concerned in Washington, the State of Washington, the legalization. I am concerned about the referendum that occurred in Alaska where they have legalized marijuana also.

"Then you move on to California where I was just surprised, very much surprised, seven or eight years ago when my son graduated from UC Long Beach and I went to my son's rental house with his three classmates, and one of them was doing medical marijuana. Uncle, I got my card. I said, brother, you okay, what's your medical problem? I got my card.

"What I'm saying to you this afternoon, I am concerned that we may take it for granted that the Administration who does the execution, implementation of the program will do their very best. But like what one of the Representatives said from the neighbor islands, if there is not support from the counties, it is a major, major problem.

"I would recommend to the Senate, as this bill goes over, which I'm supporting, can we do an execution, implementation of this program five to six years, whereby every year a report is given back to this Body and the Senate to show where are we, so it is very, very tight. Not unless, if all of you agree that you may have corporations from South America, Central America, Mexico, Southeast Asia, running the cartel here in Hawaii in regards to marijuana.

"Come on, let's go back to the background of who's financing everything? We've had issues here before in regards to who's developing all the property in the State of Hawaii. It's not local. It's not local money, Speaker, it's outside money. And that's where I wanted to just share with all of you. Go slow and be cautious of what we do.

"In closing, Senate, I hope you hear what I'm saying, because you folks are going to have this particular measure in your Chambers after we pass it."

Representative Ito rose to yield his time, and the Chair "so ordered."

Representative Say continued, stating:

"In closing, it is a concern when we pass a measure. But it always depends, for the freshmen and sophomores, execution and implementation by the Administration. And without the monetary support of personnel, I don't want to be in a position where we have lost control of our state that we dearly love. Thank you."

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

"This is the first time, Mr. Speaker. It's the second time I'm voting in public on this measure. I was here back in 2000 when we did champion the medical marijuana program and we were very proud of doing that. We were the first state in the nation to legislatively enact a law to allow our constituents to possess and grow marijuana.

"The truth of the matter is, over the last 15 years for those select number of citizens, marijuana has become legalized for them. Over the last 15 years under the Department of Public Safety, ask yourself this question, how many times has a license to use marijuana in one's home or to grow marijuana, has a permit been revoked? The answer is none. It never has. It has never occurred, never happened. That's how little enforcement is going into the law.

"So unlike some of the other speakers who talk about this being a slippery slope to legalization, I see it as an expansion and commercialization of legalizing marijuana. You see, right now you can get a doctor certificate for a fee and pay \$35.80 to the Department of Health and get a card. It's a white card, not a blue card, about the size of a business card. If you're approached by a police officer, law enforcement officer, you flash that card. He or she then on reviewing the card if it's accurate, if it's authentic, if it's current, will not stop you, will not have probable cause to arrest you. Will let you go on your way. So I tell people, that's a fact. That's where we are today. And it makes sense, right? The federal government is not spending any resources and time on prosecuting, and neither should our local law enforcement. Not for the small kid out there smoking some pot, carrying one small nickel bag.

"But that's not what we're talking about. We're going from home grown, back of the yard kind of things, amongst friends or your caregivers, to commercialize, big time, retail marijuana folks. And let me tell you this. The folks outside who've got the money, they're set up and primed to come in. The Representative from Kahaluu talked about the local farmers. Yeah, you grab the permit, the local guy grabs a permit, be a local face, but the money and the accountants and the legal power are coming from the mainland, because money is to be made.

"Folks, I've visited a recreational dispensary in Colorado. Beautiful setup, like a candy store. They've got all the different types of grades and strains and product. What's so ironic about it, especially for the neighbor island guys, you've got to wrestle with this whole GMO issue, I don't know how many of you guys understand, as a commercial product, much of the strains and varieties of medicinal marijuana are patented. They are patents, and who controls and owns the patents? Not the mom and pop. We're talking about the big guys, the pharmaceuticals. We're talking about Monsanto. We're talking about Syngenta. We're talking about Bayer. We're talking about Cargill. And it makes sense, it's a product. We also know that big tobacco is also trying to get in the door. Why? We all know. Tobacco sales are down.

"That's why, you look at this bill and it calls for about 26 dispensaries, 30 growing facilities, and everyone is saying, because we need to do this for the 13,000 people that have been waiting for 15 years. Well ladies and gentlemen, look at the facts."

Representative DeCoite rose to yield her time, and the Chair "so ordered."

Representative Oshiro continued, stating:

"Thirteen thousand cardholders didn't pop up overnight. Go back several years, what was it prior to four years ago? It was like 8,000. Go back two months, into December. Ask the Department of Public Safety when this question was asked of the cardholders. How many of the cardholders today cannot grow or have a caregiver grow the marijuana for you? Hawaii Island, 5,415 patients, 12 people. Twelve people have no caregiver or cannot grow their own marijuana. Maui, 3,183 cardholders, 78 cannot grow or get a caregiver, less than 3%. Oahu, 3,100 cardholders, 221, a little more, yeah, 7%. Kauai, 1,900 cardholders, six people cannot grow their own or have a caregiver. Molokai, 222, one individual, one person.

Lanai, 28, well, they're okay over there. Niihau, three. They're okay over there. So of the 13,937 cardholders as of December, only 318 say they cannot grow their own, have a caregiver. Keep that in mind.

"Mr. Speaker, can I have permission to submit written comments. So I don't know how often we do something like this for 318 people. But let me point this out to you, too. Much has been said, will be said, about children. The *keiki*, the youngest, the future generation, the most vulnerable. The need to put resources into their future, our greatest hope. Well let me point out some of the consequences of creating more marijuana out there for them to stumble across or be exposed to, because we've done a poor job with pharmaceutical drugs, tobacco and alcohol, and I don't think we're going to do much better under the current scheme in this bill.

"Research shows that illegal drug use among teens increases as the perception of risk and social disapproval declines, as in the commercialization and legalization of medical marijuana dispensaries. A recent study found that those who use marijuana heavily, daily in their teens and continue into adulthood, 18, showed a permanent drop in IQ of eight points."

Representative Har rose to yield her time, and the Chair "so ordered."

Representative Oshiro continued, stating:

"Thank you, Mr. Speaker, for your indulgence. One in 11 people who start using marijuana become addicted. We're not talking about the stuff in the '70s, '80s and '90s with a THC of 1 to 3%. We're talking about THC in plant content today, 15%, 20%, 25%, 30%, real potent stuff. For teenagers, Mr. Speaker, addiction rates jumps to 1 in 6. Increased use leads to higher addiction rates. Sixty-six percent of serious disciplinary actions in public schools can be attributed to distribution, possession or use of illegal drugs. High school students who use alcohol or other drugs are up to five times more likely to drop out of school.

"I was listening to a National Public Radio story several weeks ago on the radio. You can still download it, listen to it, it's very informative, by this Dr. Frances Jensen. The Teenage Brain, why teens are impulsive, addiction prone, and should protect their brains. It's a good read, but the basic supposition in her book is this. Teenage brains are different and they don't fully mature until the age of 24 and 25. And when they are teens, all the conditions that make learning easier for them versus adult brains are the very same reasons why they are prone to addictive behavior. Addiction is just doing something over and over again and getting more effective and efficient in learning that skill. And teenage brains, by definition, organically, biologically, are prone to it.

"If Hawaii follows the trends of other states like Arizona, I know the task force looked at Arizona, New Mexico, Colorado and other states, but in a few years we'll go from maybe three to four to five dispensaries, to maybe over 80, 90, to 100 dispensaries. If Hawaii follows Colorado's lead, as far as the number of cardholders, we'll go from 13,000 to 50,000, 70,000, 100,000 in a few years. Those are the trend lines, folks, if we look at history of other states as any guide.

"From January 1st, 2015 to February 26, same year, just about 60 days that the Department of Health has had this program transferred from the Department of Public Safety, almost 800 new cardholders have come online. Sixty days, 800 more cardholders. The word is getting out. Hawaii is open, come on down, let's make a deal.

"Mr. Speaker, let me give you some examples so we understand what's at stake here. This is a 2 ounce bag. Not the real stuff. Don't get excited. This is 8 ounces."

Representative Cullen rose to yield his time, and the Chair "so ordered."

Representative Oshiro continued, stating:

"I'll try and wrap it up, Mr. Speaker. I'll be going with reservations, because you know why, Mr. Speaker, I want a shot at being on the conference committee. Okay, let me wrap this up. I'm going to submit written comments, but I just want to clear my conscience, like so many of

you out here today. So you guys know about the effects on the kids. You guys know that there is no additional monies being put into the budget in those areas. Behavioral Health, Health Department, Human Services, Education. You also know that this bill not only trumps the rights of counties on home rule zoning, it trumps the responsibility of Department of Agricultural or where these farms are going to be set up.

"And get this, folks. This is the math, it's amazing. Two thousand dollars to get a license fee to grow marijuana, 500 plants. Double down, you go \$4,000, you get 1,000 plants. You think that's a lot of money? Small investment. With the marijuana they have today, the types of strains they have, here one farmer with a one, 1,000 plant license, you get about three growing seasons a year, some of you guys know that. With each season being about four months, that's a long season for a marijuana plant. You process about 3,000 plants. If each plant produces 4 ounces of bud, flowers, then 3,000 plants would result in 750 pounds. If it sells for \$2,000 a pound, that would be about \$1,500,000 in one year. Not too shabby. GET would get about \$70,000 on Oahu, \$62,000 on neighbor islands.

"Mr. Speaker, should we chart this course, bold course for our communities, let us ensure that we do not open Pandora's Box. That we do not harm our youngest citizens. That we do not inflict another vice like tobacco or alcohol or e-cigarettes upon them. Let us learn from the experience of other states and let us not take away their futures and handicap them. If you guys are thinking about putting it in my community, don't. But I'll fight you tooth and nail to keep it out of my community. My young people have enough challenges already. I hope to participate further in discussion. I'll be available for any questions. Thank you very much."

Representative Oshiro's written remarks are as follows:

"Mr. Speaker, I submit these additional comments in further support of HB 321, HD 1, with reservations, and herein thank you for allowing me the privilege to further explain my vote and proffer an explanation to my colleagues and constituents.

"First, as I review the legislative record before us, consisting primarily of the Hawaii Medical Marijuana Dispensary Task Force (HCR 48, 2014), related minutes, sub-committee minutes, attachments and Final Report, Minority Report, and written testimonials submitted herein on HB 321, HD 1, I am not convinced that this measure has been carefully vetted, reviewed, and reflected upon by the members of the Health, Judiciary, and Finance Committees. Apart from a joint committee hearing over five hours on a Saturday, and about a 50 minute "Q and A" from both committees, HB 321, HD 1, looks about the same as it was drafted by the Medical Marijuana Task Force back in January. Furthermore, I am not comfortable with the many unanswered policy questions that may be delegated to the Department of Health and its employees to examine, debate, discuss, and decide. Notwithstanding the fact that there have been several public hearings and some public participation, there has been little or far less community involvement than one may expect on such a major policy determination of whether legalizing the commercial cultivation, growing, and manufacturing and retail sale of medical marijuana and related products is good public policy for Hawaii. As I expound upon further below, this is a major policy decision.

"Mr. Speaker, granted we have had a law in place since 2000 (about 15 years) that provides an affirmative defense from prosecution under State of Hawaii drug laws, but it is more of a compassionate expression of a legally awkward accommodation to allow 'home-grown' marijuana for personal medicinal use, whether the patient grew his or her own or had a caregiver or friend to do it. I too had the initial concern back in 2000 as to how one would initially gain possession of even a tiny seed, which is illegal under state and federal laws, to start one's own personal cultivation and have the use of medical marijuana as permitted by law. Throughout the debate and discussion, I was constantly reassured by the advocates that 'marijuana is in all communities and easy to find'. 'There will be no problem for patients to find the seeds and even plants to grow one's own medical marijuana', I was promised by the outspoken advocates. And, to those who stepped forward to provide this insight and assurances, I am thankful for their honesty and courage, for it was not acceptable as it is today. They were right, however, and most of the patients have been able to obtain relief and

the law has met its goal, albeit not perfect or complete or without a need to review and reconsider further refinements.

"Simply stated, over the past 15 years a person grew his or her marijuana the best he or she could, or had a friend do so as a gesture of kindness, neighborliness, or affection. There were no headlines of criminal enterprises and regulatory enforcement was practically non-existent, and I cannot recall anyone having his or her card revoked or terminated. In any case, it was not a commercial enterprise or profit making activity, but a means of providing as much relief as possible under state and federal laws, while addressing the legitimate and serious concerns of public health and welfare. Mr. Speaker, one must bear in mind that we did not, as I recall, contemplate the retail growing and sale of medical marijuana, and the State of California was still experimenting with its own recent ballot approval from 1996, only a few years before our discussion beginning in or around the 1997 Session.

"As you know, we were the first Legislature in the nation to 'legalize' medical marijuana in 2000, but the concept of a medical marijuana dispensary was in its infancy stage of public policy development. Governor Cayetano happily endorsed the measure and signed it into law as Act 228, but its effective date of issuing medical marijuana cards did not commence until on or about December 28, 2000. Governor Cayetano and his then Lieutenant Governor Mazie Hirono (now, U.S. Senator Mazie Hirono) left office in the fall of 2001, and from 2002 through 2010, Republican Governor Linda Lingle held the post with Lieutenant Governor Duke Aiona. In those eight years, I do not recall any serious discussion in the Executive Branch or either Legislative Chamber for review of the medical marijuana law and consideration of establishing a commercial growing and retail marijuana dispensary system. The interest or renewed interest seems to have arisen at the inception of the Abercrombie Administration, from early November 2010, and I do not recall having a hearing on a House bill to establish a medical marijuana dispensary system from 2010 through 2012. These historical references are provided so that we might appreciate the context in which this issue has arisen and how relatively recent a public and legislative policy discussion has truly been.

"Mr. Speaker, be mindful that as of December 2014, there were about 14,000 cardholders allowed to grow and use marijuana for medicinal purposes. The graph below depicts the demographics of medical marijuana patients by islands. It also shows those who are not growing nor have a caregiver growing the marijuana for the patient. Strikingly, but not surprising, is the fact that less than 3% or about 318 patients of the nearly 14,000 patients are not currently availing themselves of the present legal ability to grow and/or obtain legal marijuana from a registered caretaker. In other words, 97% of all current cardholders are able to comply with present law and possess and use medical marijuana.

Island	Patients	Not Growing	% Not Growing
Hawaii	5,415	12	0.0%
Maui	3,183	78	2.4%
Oahu	3,146	221	7.0%
Kauai	1,940	6	0.0%
Molokai	222	1	0.0%
Lanai	28	0	0.0%
Niihau	3	0	0.0%
TOTAL	13,937	318	2.23%

"Additionally, my initial research has led me to conclude that the present policy and law hardly presents any serious barrier to obtain a 'blue card' (note: Per DOH, in 2015, new cards will be white bearing the DOH logo and about the size of a business card), and most applicants with genuine debilitating medical condition receive their cards without much fuss or expense. The current fee is \$35.80 and provides the card that practically serves as a handy and useful 'shield' from law enforcement engagement and detention while the legal possessor is in a public place or residence, as long as he or she does not possess more than four ounces of marijuana and/or have seven plants. As you may not know, Mr. Speaker, four ounces is a substantial amount of 'usable marijuana' and can be the equivalent of about 200 marijuana cigarettes or joints. Likewise, if each plant should produce an average of four ounces of 'usable marijuana' or buds or flowers,

that would be about 28 ounces, or one and three-quarter pounds of marijuana.

"Thus, because the present law and policy allowing for this special legal dispensation for those legitimate patients, whereby most can acquire and obtain a medical marijuana card for an annual fee of \$35.80, and most or almost all or 97% of present patients are using the current system to treat their statutorily defined covered diseases, I am puzzled by the seeming urgency and necessity in moving HB 321, HD 1 forward with such blazing breakneck speed absent any serious discussion of others systems and methods and tools to address foreseeable community and law enforcement needs, and the concomitant additional social and health related costs similar to an increase in alcohol, tobacco, or pharmaceutical drugs. Again, we are, Mr. Speaker embarking upon articulating a new policy for Hawaii – commercialization of medical marijuana – one that our esteemed forefathers have not taken, probably much less even contemplated, so prudence calls us to be careful and doubly sure and even critical and honest of our own lack of understanding and knowledge in a relatively new and evolving policy.

"As I study HB 321, HD 1 and compare it with other 23 states' laws and policies, I am, frankly, impressed with the variety of policy choices made and expectations created among the citizens of the several states. But, for many it is still too soon to impose any 'right/wrong' evaluation and for others, they have yet to launch their regulatory schemes but will do so later this year or next year. In general, however, the other sister 'laboratory of democracies' have enacted some policies worthy of our wholesale adoption in some respects, adjustments and fine-tuning to our diverse local needs, but at the bare minimum a fair and honest consideration through a public vetting and deliberation, which has heretofore been relegated and overrun by a efficiency benefiting a few insiders without the ability of the majority members, less the minority members to even question or consider the impact upon their communities and constituents. Again, the simplistic mantra of 'waiting for 15 years for this' by many advocates has seemingly lulled the Members into a mind-numbing condition ironically similar to the effects of *cannabis sativa* on the brain, and logic and reason is held captive in a deep trance. I only hope the condition is temporary and not indicative of permanent damage of one's mental facilities and conscience.

"Consequently, with the apparent lack of any meaningful restraint or legislative speed bump, I find myself obliged to offer these further observations and 'bullets' as friendly reminders, amendments, and suggestions in the on-going 'conversation' and 'discussion' for H.B. 321, HD 1. Frankly, only because of the nomenclature we use to define this as a 'work in progress' do I even bother to hold out hope that there is work being conducted and it is progressing.

I. Health and Interest of Adolescents and Children Should Not Be Compromised

- Research shows that illegal drug use among teenagers increases as the perception of risk and social disapproval declines in the production, commercialization, legalization, and promotion of medical marijuana dispensaries.
- A recent study found that those who used marijuana heavily (daily use) in their teens and continued into adulthood (18) showed a permanent drop in IQ of 8 points. A person of average IQ could drop into the lowest third of intelligence range.
- 1 in 11 people who start using marijuana become addicted. For teenagers the addiction rates jump to 1 in 6. Increased use rates leads to higher addiction rates.
- 66% of serious disciplinary actions in public schools can be attributed to distribution, possession, or use of illegal drugs.
- High School students who use alcohol or other drugs are up to 5 times more likely to drop out of school.
- HB 321, HD 1 does not treat promotion of marijuana to a minor in the same way as promotion of alcohol to a minor even though both are equally dangerous to their young developing brains.
- HB 321, HD 1 does not provide additional money for increased health services for minors and children exposed to growing marijuana and marijuana laced products.

- HB 321, HD 1 does not provide additional money for drug abuse prevention and treatment services for anticipated increased marijuana exposure to adults and children in the Departments of Health, or Human Services, or Education.

II. Some Observations and Policy Concerns with HB 321, HD 1

- Federal Drug Policies regarding marijuana still classify it as a dangerous drug, and the current no enforcement policy is essentially due to President Obama's executive authority through his Attorney General, but whose term will end in 2016 or about a year and half.
- HB 321, HD 1 violates basic home rule principles regarding land use and zoning traditionally reserved for local governments (19 of 23 states with medical marijuana dispensaries allow various levels of effective home rule).
- HB 321, HD 1 permits a convicted felon to obtain a license to grow, manufacture and sell marijuana, in contravention against traditional Hawaii license criteria and standards and the recommendation of the current State Attorney General.
- HB 321, HD 1 purportedly seeks to illegally allow for the 'home-delivery' of marijuana to an island that does not have a dispensary by July 1, 2017, even if it violates federal law.
- HB 321, HD 1 fails to require a single licensee to both grow and sell marijuana as in a vertically integrated business model to avoid unnecessary handling of marijuana and creating numerous diversion points. This is another recommendation of the current State Attorney General that has been overlooked.
- HB 321, HD 1 allows foreign and out-of-state financiers to seize unlimited lucrative production and dispensary licenses over the objection of local communities and Hawaii residents.
- Growth of the medical marijuana business and dispensaries will be astronomical and engulf the entire State of Hawaii if Hawaii follows the trends of others states like Arizona from a few to a hundred in several years. In Arizona, they went from 3 to 85 dispensaries in three years for an over 2,000% growth!
- If Hawaii follows the activity of others states like Colorado, we could experience an enormous spike of cardholders from about 14,000 to over 100,000 in a few short years. This occurred in Colorado where they had increases of about 700% in the first year of medical marijuana dispensaries and about 180% in the second year.
- The word is getting out on the Mainland and abroad that Hawaii's Legislature is poised to approve medical marijuana dispensaries in 2015 and already the attention is being seen and felt at the Department of Health. From January 1, 2015 to February 26, 2015 – about 60 days, or two months – about 800 new patients have been registered and issued their 'white' card by the Department of Health.
- HB 321, HD 1 mandates a minimum of 26 dispensary licenses by January 1, 2019, or one per 500 patients, and therein essentially mandating the Department of Health to actively solicit and promote private applicants to make available and promote more marijuana corruption despite contrary mission of the Department of Health to curb smoking, prevent substance abuse, and treat addictive adolescents and adults. The chart below projects the number of production centers to be established based on one per 500 patients. How many of Members' communities would accept this?

Number of Dispensary Sites: One per 500 Patients

Island	# of Dispensary Sites (rounded)	Actual Number
Hawaii	11	10.83
Maui	7	6.366
Oahu	7	6.293
Kauai	4	3.88
Molokai	1	.444
Lanai	1	.056
Niihau	1	.006

- HB 321, HD 1 mandates the Department of Health to offer licenses for 30 production centers to be established by July 1, 2016, without the requirement of any consultation by the Department of Agriculture and Department of Land and Natural Resources, seemingly given one

department veto power of several others. Again, how many members understand how this may or may not be compatible with current or planned use of agricultural lands and water resources.

Number of Production Centers: One per 500 Patients

Island	# of Production Centers (rounded)	Actual Number
Hawaii	11	10.83
Maui	7	6.366
Oahu	7	6.293
Kauai	4	3.88
Molokai	1	.444
Lanai	1	.056
Niihau	1	.006

- HB 321, HD 1 ostensibly assumes that all 13,000 cardholders will cease to grow their own marijuana or cease the care-giver relationship and purchase all their marijuana through the dispensary outlets. Furthermore, according to the Medical Marijuana Task Force Minutes, HB 321, HD 1 assumes that a farmer would grow 3 plants per cardholder (3 plants X 13,000 = 39,000 plants), or 39 producers with 1,000 plant license, or 78 producers with 500 plant licenses. As such, HB 321, HD 1 allows for unlimited production, inventory, and sale of marijuana by for-profit businesses for a limited pool of known potential customers (318), thereby necessitating the need for ever increasing customer base to obtain maximum production scale and sale/purchase ratios; also increasing the diversion potential into illegal markets and availability to minors.
- HB 321, HD 1 provides a 'bargain' license fee of only \$2,000 to grow up to 500 plants, or \$4,000 to grow up to 1,000 plants at a time, and there is no statutory prohibition for an individual to obtain up to 30 licenses to grow a total of 30,000 plants or more. Without any statutory limitation and residency requirement, this scheme opens the door to well financed, large established foreign or out-of-state firms to capture and control Hawaii's production centers, and hence, local market.
- HB 321, HD 1 would allow a farmer with ONE '1,000 plant' license, coupled with a very conservative 4 growing seasons per year with each season being about 3 months in duration, to grow and process for a production total of about 4,000 plants. If each plant produces 4 ounces (dried flower buds) then 4,000 plants would result in 16,000 ounces or 1,000 pounds. If it sells for, conservatively, \$2,000 a pound in bulk, then it would make the farmer about \$2,000,000 in one year. The State of Hawaii, if GET is applied, would receive about \$94,240 on Oahu and \$83,320 on the Neighbor Islands. Keep in mind, that with a cash-only enterprise, the assessment and taxation may be fraught with underreporting and the inability of the Department of Taxation to verify proper tender of tax owed and paid. And again, the present day street price ranges from \$2,000 to \$5,000 per pound. The enormous profits tend to instill a greater propensity to bend the rules or even break them, especially if regulatory enforcement is weak or merely a nuisance and cost of doing business in Hawaii.
- HB 321, HD 1 does not provide any money for law enforcement for the expected increase in juvenile, domestic and traffic cases as the counties of Hawaii, Maui, Oahu and Kauai will have to absorb the additional costs associated with increased activity. For example, the Maui Police Department has noted that it would cost approximately \$221,796 per year to train existing officers with the Advanced Roadside Impaired Driving Enforcement (ARID) program, wherein it would assist officers in detecting drivers under the influence of marijuana. Maui Chief of Police Faaumu informed the committees that at a rate of training 168 officers in a year, it would take the Department a little over two years to train its 352 officers. Further, he would recommend that a group of his officers attend specialized Drug Recognition Expert (DRE) training, which would cost the Maui Department approximately \$41,152.25 to train five officers on Oahu. None of these additional costs are covered in HB 321, HD 1, and similar costs may be borne by police departments of other counties. Should the City and County follow the Maui Chief's recommendation and its increases with the population, then Honolulu's bill would be about 8 times or about \$1,774,368 for the ARID program and about \$328,218 for the DRE program.

- HB 321, HD 1 allows for interim rulemaking powers of up to two (2) years that are exempt from the normal public hearing comment and review process, thereby giving the Department of Health unbridled authority to promulgate rules without public input.
- Retail Sale to Medical Marijuana cardholders would be tantamount to legalization of marijuana for 'club-members' (i.e. Costco, Sam's Club, Marukai, etc.). This is because current Department of Health personnel repeatedly and consistently insist that their role is purely regulatory and not enforcement. And, I am not surprised since even at the Department of Public Safety little enforcement occurred under both Republican and Democrat administrations, but it was left up to the local law enforcement officials. My recent inquiry into records at the Honolulu Police Department indicate the following:
 - 2012 – 2013 investigations regarding marijuana card violations
 - 9 violation possessing in excess of maximum number of plants
 - 4 violations for possessing marijuana with an *expired* card
 - 2013 – 2014 investigations regarding marijuana card violations
 - 11 violation possessing in excess of maximum number of plants
 - 1 violation exceed number of mature plants allowed
 - 1 violation for possessing marijuana with an expired card

III. Some Possible Solutions to Concerns Raised with HB 321, HD 1

- Encourage public electric utilities and boards of water supply to submit their plans, if any, regarding the increase in electricity and water consumption for production centers. Given the robust mandate to issue 30 or more production center licenses beginning July 1, 2016, the present electrical energy and potable water demand may not be well understood or planned for. Accordingly, this request would proactively determine if any consequences may arise regarding energy needs and potable water demand and consumption.
- Pursuant to the March 15, 2016 deadline for the Department of Health to submit their report to the Legislature regarding the licensing regulatory scheme, the Legislature should also require the Department of Agriculture and the Department of Land and Natural Resources to submit plans to describe and disclose how to accommodate the prioritization of medical marijuana production centers of agriculturally zoned public and private lands, and any environmental impacts arising from and related to this new agricultural crop of a non-native origin. Issues regarding affect upon native forest, conservation lands, buffer zones, streams, ocean, and other water systems need to be evaluated.
- Providing marijuana to minors should be treated similar to the offense of promoting liquor to a person under the age of 21, as established in HRS 712-1150.5. Treatment of unauthorized possession and use of medical marijuana by minors must bear the same serious criminal charges as alcohol, as both are dangerous to young developing brains and pose an especially lethal mixture when marijuana ingestion is combined with driving under the influence of alcohol.
- All licenses to grow or sell medical marijuana should be restricted to Hawaii residents who can demonstrate a minimum of two (2) years residency. Several states have this in their laws, and it may serve, at least initially, to hold back the foreign or Mainland interest seeking business opportunities in Hawaii. This limited and discretionary license authority should stand a constitutional challenge as it comes under the State's general police powers. The point again, is to stem the flood of out-of-state money interest and provide a slight advantage to local entrepreneurs and farmers. These residency requirements can be found in the laws of both *Colorado* and *New York*.
- Once commercial licensed growers are producing and dispensaries are selling marijuana, home-grown cultivation and production must be banned. This policy will address one of the major problems facing law enforcement and address concerns of 'black' or 'gray' market production and sales. It is also consistent with the traditional handling and regulation of pharmaceutical medicines that most citizens accept and from where most people obtain their medicines. Like most medicines, retail marijuana must meet rigid drug and food safety standards. An exception can be made for those patients living more than 25 miles from a dispensary. If there is a dispensary within a 25 mile radius of the qualifying patient's residential address, the card will be issued with the 'Not Authorized to Cultivate' status. Additionally, when the application is approved, the Department will email the qualifying patient a list of all dispensaries. The registration identification card issued to the qualifying patient's designated caregiver would also indicate that the designated caregiver is not authorized to grow marijuana. In a nutshell, this one policy alone will also enable the State of Hawaii to curtail the diversion of marijuana to criminal enterprises, youth, and illegal uses which draw the attention of Federal Law Enforcement officials pursuant to the Memorandum for All United States Attorneys, James M. Cole, Deputy Attorney General, 'Guidance Regarding Marijuana Enforcement', dated August 29, 2013. This is the law in several states, including *Connecticut, Delaware, Illinois, Maryland, Minnesota, New Hampshire, New Jersey* and *New York*, and it deserves serious consideration.
- Both the growing and selling of marijuana should be regulated in a 'closed system' that ties a specific cardholder to a specific grower/retailer. For example, this means that once an individual is issued a marijuana card, he/she would have to select from a list of licensed growers/retailers who will be given the authority to be the unique 'caregiver' and therefore grow and process the marijuana exclusively for that person. It would be done to the person's unique medical needs, method of consumption, and levels of THC and/or CDB or both. This custom-made, one-to-one growing and selling limits the inventory of the marijuana product by capping the amount of product in their inventory to the maximum amount allotted for each registered patient with some limited and quantifiable range of 'overage' or 'contingency' source. Consequently, this policy addresses a major criticism of the 'open systems' that leads to over production of marijuana, and therein addresses a major concern of law enforcement and substance abuse professionals. States with a 'closed system' include *Connecticut, Delaware, Illinois, New Hampshire, New Jersey* and *Vermont*, and it deserves serious consideration.
- Limit licenses to grow or sell to Hawaii to registered not-for-profits or sustainable business corporations. States with this statutory requirement include *Arizona, Delaware, Maine, Massachusetts, Missouri, New Hampshire, New Jersey, New Mexico, Rhode Island* and *Vermont*, and it deserves serious consideration.
- Place a ceiling on the amount that medical marijuana can be sold so that the patients can afford to purchase their marijuana at the retail facility. This idea did not arise at the public hearing and I could not locate any reference in the Medical Marijuana Dispensary Task Force Report or Minutes, but this is the law in both *New Mexico* (2007) and *New York* (2014), and it deserves serious consideration.
- The Dispensary must use a licensed Pharmacist to ensure that the medical marijuana product, type, strain, system, quantity and dosage does not contraindicate with other medicines or treatment regimens of patient. *Connecticut* (2012) has this requirement, and it deserves serious consideration.
- Counties must be given the opportunity to restrict or prohibit the growing or selling of marijuana under the home rule principle. In the alternative, if not the power to collectively decide to prohibit the establishment of a dispensary within the county boundaries, then grant the power to reasonably regulate the time, place, and manner of dispensary and production center operations through local ordinances. Denial of local input and the zoning authority customarily associated with the several counties will lead to practical land use and compatibility disputes among users and may even generate lawsuits to challenge overly burdensome state laws and policies. Worse is the 'nuclear option' of bringing in the Federal Controlled Substances Act to trump and challenge the propriety of underlying state policy and law. States which give home rule authority to the local governments include *California, Colorado, Connecticut, Delaware, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Mexico, New York, Oregon, Rhode Island* and *Vermont*, and it deserves serious consideration.
- Funds must be provided for County and State Law Enforcement and marijuana abuse prevention and treatment programs and services. As the Maui Police Chief described, there will need to be additional funds found to properly prepare his officers to obtain specialized training to ensure the public health and safety on the highways. At about half a million dollars for Maui County, it is a substantial amount.

- Any medical marijuana program should be a pilot program with a sunset date. Hawaii should compel a legislative review and assessment for any medical marijuana dispensary law by enacting a sunset date whereby the law will be repealed in total unless extended by legislative enactment. For example, Colorado's Legislature approved its law in 2010, but established a sunset in 2016. Fifteen recommendations for the Colorado Legislature to consider. One of the recommendations is to continue the Colorado law until 2019. Other examples include *Illinois*, which enacted its regulatory statutes as a pilot program with a four-year sunset date, and *New York* with a seven-year sunset date, and a sunset date deserves serious consideration.

IV. FINAL COMMENTS

"In closing, as we further consider and contemplate what may be a final version of this new policy, let us make sure that we acknowledge and accept the federal laws that have been, for all intents and purposes, in abeyance, due to the current executive orders of President Obama and his Administration. We must keep this in mind since the relevant federal law remains intact, undiminished, and the supreme law of the land. As such, the firm and unambiguous directives contained in the memorandum from James M. Cole, Deputy Attorney General to the United States Attorneys, August 29, 2013, must be foremost and held front and center in guiding our actions in these policy pronouncements. In relevant part, the state and federal governments' *quid pro quo* are as follows:

- Preventing the distribution of marijuana to minors;
- Preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels;
- Preventing the diversion of marijuana from states where it is legal under state law in some form to other states;
- Preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
- Preventing violence and the use of firearms in the cultivation and distribution of marijuana;
- Preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
- Preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and
- Preventing-marijuana possession or use on federal property.

"Not only will these eight items provide us a measuring rod upon which all further refinement and consideration must be placed in order to maintain some shelter from federal preemption, but it also may protect existing policies and practices from inadvertent collateral attack and legal challenge. The 'nuclear option' is not without legal precedent, and prudence dictates we clearly recognize this real threat.

"Finally, Mr. Speaker, we should not, and we cannot, ever and must never forget to protect the most vulnerable members of our society. The children. The *keiki*. In short, we must maintain an unwavering constant fixation on the welfare of Hawaii's children. For the facts are self-evident and the medical findings are not in dispute, that the young people run the greatest risk of injury and harm when a community legalizes commercial growing and sale of medical marijuana through a dispensary model. It is not a question of 'if' injury will be inflicted but a question of 'how much?', 'how often?', and 'whose child?'

"As such, I humbly ask that those in positions of authority of the fate and contents of HB 321, HD 1, and subsequent drafts, keep vigilant in their contemplation and deliberations and repeatedly ask ourselves – Whether this policy exposes our children to unnecessary harm? – Have we prepared ourselves and our community to respond to prevention and treatment needs that will arise? – And, otherwise, we run the danger of being the enemy of our better selves and unwittingly sacrifice the innocent future of our most vulnerable and yet promising citizens and future leaders – Hawaii's youth and young adults. Indeed,

"Those who, in the confidence of superior capacities or attainments, neglect the common maxims of life, should be reminded that nothing will supply the want of prudence; but that negligence and irregularity, long continued, will make knowledge useless, wit ridiculous, and genius contemptible." – Johnson

"Thank you very much, Mr. Speaker. Please rest assured that I remain committed to serve you and this Body in further work on this important public policy issue of the day."

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

"Thank you, I'll be very brief. In strong support. One of the members of my family has multiple sclerosis and diabetes, the medications for which cost over \$100,000 a year. But the only thing that makes a difference and quells the pain is this. So I stand in strong support. Thank you."

Representative Say rose to respond, stating:

"Mr. Speaker, in reservations. But, Mr. Speaker, I want to thank you and the Speaker for the opportunity of having my statements and everybody else's statements here recorded on the House Floor. This is part of the Journal where you folks are going to be reflective what we have said in regards to what the future will be for the *keiki o ka 'aina* of Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 321, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL MARIJUANA," passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives Aquino, Cachola, Choy, DeCoite, Fukumoto Chang, Ichiyama, Johanson, Jordan, Kawakami, Keohokalole, Matsumoto, Oshiro, Say, Tsuji, Yamane and Yamashita voting aye with reservations, and with Representatives Cullen, Har, Kong, McDermott, Pouha, Tokioka, Tupola and Ward voting no.

At 3:59 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1147, HD 1
H.B. No. 1467, HD 2
H.B. No. 1075, HD 2
H.B. No. 1112, HD 2
H.B. No. 1072, HD 1
H.B. No. 321, HD 1

THIRD READING

H.B. No. 886, HD 1:

Representative Saiki moved that H.B. No. 886, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. In opposition. While I fully support the intent of Sections 1, 2 and 3, which will provide renters credit and a credit for food and excise tax, I do have issue with Section 4, which would extend the elevated tax brackets for another five years. I just happen to agree with the 2009 Legislature which put in that sunset ending this year. I do hope that through the regular appropriation process, though, that we can continue to talk about renters tax credits or food and excise tax credits. Thank you, Mr. Speaker."

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

Representative Fukumoto Chang's written remarks are as follows:

"Mr. Speaker, I rise in opposition to HB 886, HD 1 which would do three things: 1. Extend the high-earner income tax brackets established

pursuant to Act 60, Session Laws of Hawaii 2009 by an additional five years, 2. Raise income tax credits provided to low-income households by the refundable food/excise tax credit and low-income household renters credit, and 3. Amend gross income thresholds for households qualifying for the low-income household renters.

"Last session I introduced a measure with similar provisions that would have ensured low-income families receive tax credits and renters' credit. I continue to remain very supportive of these provisions of the bill. However, I am voting against this bill because it does not simply lower taxes for low-income families. Instead, it also raises taxes on those in high-earner income brackets, which could hurt some of the families in my district. In particular, it could hurt small business owners.

"In 2009, when these high-earner income brackets were initially increased, then-Gov. Linda Lingle vetoed the bill. In her veto message, she explained that 'Although there is a misconception that only wealthy people will be affected, this bill will adversely impact almost 37,000 persons, of which 27,000 are sole proprietors, partnerships, or subchapter "S" corporations whose owners report their business income through personal income tax returns.' These aren't extremely wealthy people or giant corporations. In many cases, a measure like this can impact our small, local business owners who we rely on for job creation.

"Mr. Speaker, I don't think it's necessary for us to take from one group to give to another. Our state can afford to provide tax breaks to our lowest income families without forcing our small business owners to give more than they already need to give.

"For this reason, I oppose HB 886, HD 1. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. With serious reservations, and for the same reason. Thank you."

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

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

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

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

"Thank you, Mr. Speaker. In support. I think we're getting a little bit better at trying to align with the federal government. You see, the federal government doesn't like to give any credits unless they can balance it with a tax somewhere. And I think this measure says that, let's continue with taxing the higher so we can give an increase to the credits for our lower income individuals. Thank you very much, Mr. Speaker."

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

"Thank you, Mr. Speaker. Strong support of this measure. I think this is a brilliant move, to tie an extension of a quite reasonable tax with something that needs to be done, hasn't been done in a long time, especially with the lower income brackets. So I appreciate this measure and I hope we get it out. Thank you."

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

The motion was put to vote by the Chair and carried, and H.B. No. 886, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Matsumoto, Pouha, Thielen, Ward and Yamashita voting aye with

reservations, and with Representatives Fukumoto Chang, McDermott, Ohno and Tupola voting no.

H.B. No. 1091, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 1091, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 51 ayes.

H.B. No. 1092, HD 1:

Representative Saiki moved that H.B. No. 1092, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and H.B. No. 1092, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Jordan voting aye with reservations, and with Representative Rhoads voting no.

H.B. No. 1102, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 1102, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 51 ayes.

H.B. No. 1179, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 1179, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INFLATION ADJUSTMENTS TO CHAPTER 235, HAWAII REVISED STATUTES," passed Third Reading by a vote of 51 ayes.

At 4:03 o'clock p.m., Representative Choy requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:06 o'clock p.m.

At 4:07 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 886, HD 1
H.B. No. 1091, HD 1
H.B. No. 1092, HD 1
H.B. No. 1102, HD 1
H.B. No. 1179, HD 1

H.B. No. 1181, HD 1:

Representative Saiki moved that H.B. No. 1181, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, if it's ok, may I go with reservations on all the measures on page 30. Thank you."

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

"Mr. Speaker, I rise in support of the first two bills and I have a very brief comment. Mr. Speaker, this bill gives the standard deduction a boost so those who most need it will get it. I think this is a step in the right direction, but what we really need to help the poor of Hawaii is to adjust the marginal tax rates.

"Hawaii's poor are the highest taxed in the nation save one other state, and I forget whether it's California or an East Coast state. The poor are being taxed. Now this is great for deductions, but how many of the poor actually do itemized deductions? I mean, so this is good, but we should really be going to where we adjust the marginal tax rate. It's like 7.1% for the poor. I think in California you've got to be earning \$50,000 to be taxed that much, or \$30,000. The point is, we need to look at this in a macro, not just in an isolated fashion. Thank you, Mr. Speaker."

At 4:10 o'clock p.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:11 o'clock p.m.

The motion was put to vote by the Chair and carried, H.B. No. 1181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 50 ayes, with Representative Say voting aye with reservations, and with Representative Nakashima being excused.

H.B. No. 1182, HD 1:

Representative Saiki moved that H.B. No. 1182, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, H.B. No. 1182, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 50 ayes, with Representative Say voting aye with reservations, and with Representative Nakashima being excused.

H.B. No. 1295, HD 1:

Representative Saiki moved that H.B. No. 1295, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, H.B. No. 1295, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 50 ayes, with Representative Say voting aye with reservations, and with Representative Nakashima being excused.

H.B. No. 888, HD 1:

Representative Saiki moved that H.B. No. 888, HD 1 pass Third Reading, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and H.B. No. 888, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS," passed Third Reading by a vote of 47 ayes to 3 noes, with Representative Say voting aye with reservations, with Representatives Choy, Ichiyama and Kong voting no, and with Representative Nakashima being excused.

H.B. No. 252, HD 1:

Representative Saiki moved that H.B. No. 252, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and H.B. No. 252, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACY

BENEFIT MANAGERS," passed Third Reading by a vote of 50 ayes, with Representatives Jordan and Say voting aye with reservations, and with Representative Nakashima being excused.

At 4:14 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 1181, HD 1
H.B. No. 1182, HD 1
H.B. No. 1295, HD 1
H.B. No. 888, HD 1
H.B. No. 252, HD 1

H.B. No. 295, HD 1:

Representative Saiki moved that H.B. No. 295, HD 1 pass Third Reading, seconded by Representative Evans.

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

Representative Takayama's written remarks are as follows:

"Mr. Speaker, I rise in support with reservations of HB 295, HD 1, relating to the News Reporter Shield Law. My reservations deal with the amended measure's proposed treatment of reporters' unpublished notes, which would be subject to disclosure under certain circumstances. I believe the best way of handling this issue is to use the language contained in Hawaii's original Shield Law, which provided protection from the compelled disclosure of sources and all unpublished notes.

"Hawaii's Shield Law successfully operated as a national model law for five years - from 2008 until it was allowed to sunset in 2013. I appreciate the Judiciary Chair's efforts to support the reenactment of a Shield Law, but it's my hope that we will reenact a measure as close as possible to the original law, which was not broken in the first place.

"It's important to remember that the ultimate aim of any shield law is not to protect journalists and their sources, but to safeguard the public's right to know – and this is best provided by news media that is free from harassment or intimidation."

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

Representative McKelvey's written remarks are as follows:

"If this bill is passed, it will erode the effectiveness of journalist shield laws by deleting unrestricted protection from disclosure of all unpublished information held by the journalist or newscasters. For a democracy to be effective, it is important to maintain a free press. This builds transparency in the democratic process and allows the Legislature to operate in good faith with the general public. For a free press to remain effective, it needs to be allowed to protect sources that may reveal controversial or seditious information. This law is a poor replacement for Hawaii Act 210, which helped to define the national standard regarding shield laws."

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

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

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

The motion was put to vote by the Chair and carried, and H.B. No. 295, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EVIDENCE," passed Third Reading by a vote of 51 ayes, with Representatives Har,

Kawakami, McKelvey, Takayama and Tokioka voting aye with reservations.

H.B. No. 866, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 866, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE SECURE AND FAIR ENFORCEMENT FOR MORTGAGE LICENSING ACT," passed Third Reading by a vote of 51 ayes.

H.B. No. 940, HD 1:

Representative Saiki moved that H.B. No. 940, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

"Please note my strong reservations on this measure, Mr. Speaker. Thank you."

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

"Same request, please."

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

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

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

"In strong support, request to insert written comments."

Representative Belatti's written remarks are as follows:

"Mr. Speaker, I rise in support of House Bill 940, House Draft 1 that prohibits the use of electronic smoking devices in places where smoking is prohibited. This measure applies a precautionary principle towards electronic smoking devices that furthers the overall health, safety, and general welfare of the public by placing these devices under the same indoor smoking ban applicable to cigarettes and other tobacco products.

"For over 30 years, public health advocates have battled to reign in the widespread use of tobacco products. As early as 1930, there was evidence that tobacco use was linked to cancer. In 1964, the Surgeon General of the United States declared that smoking was related to lung cancer. It would take another 30 years before it became widely accepted that cigarettes were harmful and that companies that produced these tobacco products would admit their products caused cancer. Is this the same road we have to travel with electronic smoking devices before we apply sensible regulations that will protect the health, safety and welfare of the general public and employees who are subject to those who choose to use electronic smoking devices?

"Studies are not conclusive yet as to the benefits or deleterious effects of electronic smoking devices. However, there is sufficient evidence mounting to suggest that the precautionary approach adopted by House Bill 940, House Draft 1 is warranted. Various studies have concluded that electronic smoking devices contain several cancer-causing substances, as well as tiny particles of tin, chromium, nickel, lead, and other heavy metals which, in large enough concentrations, can damage the lungs. In November 2014, Japanese Ministry of Health researchers reported that they found greater levels of cancer-causing agents contained in electronic smoking devices than found in traditional cigarettes.

"Based on these types of studies, the call for greater regulation of electronic smoking devices is being taken up across the country and the globe. At least 274 municipalities and three states have included electronic smoking devices in their smoke-free, clean air laws. In 2014, the World Health Organization released a report calling for the banning of the use of electronic smoking devices in public places until the exhaled vapor is proven to be not harmful to bystanders. This report also called upon governments to outlaw tactics that lure young users to the use of electronic smoking devices.

"House Bill 940, House Draft 1 does not go as far as some public health advocates would like in the regulation of electronic smoking devices. Nor is House Bill 940, House Draft 1 a draconian ban of electronic smoking devices. Instead, House Bill 940, House Draft 1 allows individuals who wish to use these devices the same provisions provided to users of cigarettes, striking a balance for the health and safety of the general public and employees, while still allowing the use of these devices. Because House Bill 940, House Draft 1 strikes this balance between the health and safety of the public and an individual's choice to use electronic smoking devices, I support this application of Hawaii's clean air laws to electronic smoking devices."

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

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

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

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

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

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

The motion was put to vote by the Chair and carried, and H.B. No. 940, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE REGULATION OF TOBACCO PRODUCTS," passed Third Reading by a vote of 50 ayes to 1 no, with Representatives Creagan, Fukumoto Chang, Jordan, Kawakami, Keohokalole, Oshiro, Pouha, San Buenaventura, Say, Tokioka and Ward voting aye with reservations, and with Representative McDermott voting no.

H.B. No. 147, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 147, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROCEDURE," passed Third Reading by a vote of 49 ayes to 2 noes, with Representatives McDermott and Tupola voting no.

H.B. No. 287, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 287, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM INFORMATION PRACTICES ACT," passed Third Reading by a vote of 51 ayes.

At 4:17 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 295, HD 1
H.B. No. 866, HD 1
H.B. No. 940, HD 1
H.B. No. 147, HD 1
H.B. No. 287, HD 1

H.B. No. 810:

Representative Saiki moved that H.B. No. 810 pass Third Reading, seconded by Representative Evans.

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

"I rise in strong support. Permission to enter comments into the Journal, and I'll follow with a very short note. I just want to inform Members, three of the last four Hawaii State Teachers of the Year have been participants in this program, and it helps to expand this excellent program. Thank you."

Representative LoPresti's written remarks are as follows:

"Mr. Speaker, liberal education that for centuries has been the very essence of a life of the mind, is under assault by an increasingly narrow and market-driven conception of schooling, one that see the arts and humanities as frivolous and expendable. A diverse and well-rounded education is not a frill. It is a vital means of cultivating a desire to learn with passion and curiosity, to think with clarity and rigor, and to engage in civic life with reason and commitment.

"P4C Hawaii, the philosophy for children initiative, is more than just a program of philosophy in the schools. It is an affirmation of the ideal of liberal education. It is a model that attracts visitors from around the world who want to learn how to implement it in their home countries. P4C Hawaii is well on its way to creating a model K-12 complex in Kailua, and since last semester P4C teachers and professors have taught a prerequisite course in the College of Education at the University of Hawaii at Manoa. With the support provided by this bill, this initiative can continue to thrive and grow. Three of the last four Hawaii State teachers of the year have been participants in this program, and worked diligently to bring the Dalai Lama to meet Hawaii students."

The motion was put to vote by the Chair and carried, and H.B. No. 810, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Third Reading by a vote of 50 ayes to 1 no, with Representative McDermott voting no.

H.B. No. 1188:

Representative Saiki moved that H.B. No. 1188 pass Third Reading, seconded by Representative Evans.

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

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

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

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

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

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

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

The motion was put to vote by the Chair and carried, and H.B. No. 1188, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TOBACCO SETTLEMENT SPECIAL FUND," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Har, Kawakami, Oshiro, Rhoads, Say, Tokioka and Ward voting aye with reservations, and with Representatives Pouha, Thielen and Tupola voting no.

H.B. No. 318, HD 1:

Representative Saiki moved that H.B. No. 318, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Please note my reservations on this, Mr. Speaker, and just a comment. I would like to make sure that we keep Hawaii free from billboards or names on buildings or parks or facilities. That's our uniqueness here in Hawaii. Unfortunately, I wish the City and County would look at other measures versus this. Thank you very much."

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

"Thank you. Reservations, same idea. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 318, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT BUILDINGS," passed Third Reading by a vote of 51 ayes, with Representatives Jordan and Thielen voting aye with reservations.

H.B. No. 1293, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 1293, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY TAXATION," passed Third Reading by a vote of 51 ayes.

H.B. No. 527, HD 1:

Representative Saiki moved that H.B. No. 527, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, strong support on House Bill 527, House Draft 1. I would hope the lifeguards, if the monies are appropriated, will take care of all of our *opih*i pickers who have since passed away. Thank you."

The motion was put to vote by the Chair and carried, and H.B. No. 527, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STATE LIFEGUARDS," passed Third Reading by a vote of 51 ayes.

At 4:21 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 810
H.B. No. 1188
H.B. No. 318, HD 1
H.B. No. 1293, HD 1
H.B. No. 527, HD 1

H.B. No. 971, HD 1:

On motion by Representative Saiki, seconded by Representative Evans and carried, H.B. No. 971, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION," passed Third Reading by a vote of 51 ayes.

H.B. No. 1167, HD 1:

Representative Saiki moved that H.B. No. 1167, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

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

"With reservations. I hope this particular measure would extend to the Kapalama Military Reservation also. Thank you."

The motion was put to vote by the Chair and carried, H.B. No. 1167, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CAPITAL INFRASTRUCTURE TAX CREDIT," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Jordan, Oshiro and Say voting aye with reservations, and with Representatives Choy, Ichiyama, Kong and Takayama voting no.

H.B. No. 1172, HD 1:

Representative Saiki moved that H.B. No. 1172, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

"Mr. Speaker, in opposition. It seems like all the good fun bills are always on the last pages and everybody's tired. So let me put it this way. I would support this bill if we conformed to the IRC Section 41, and take out that special Hawaii provision which we can't afford or we can't enforce. And I noticed the referral pattern on this particular bill was a little awkward. We did try to fix the bill in EDB, so hopefully when the bill does come back, this bill is defective dated, it will have those changes. Thank you."

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

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

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

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

The motion was put to vote by the Chair and carried, H.B. No. 1172, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RESEARCH ACTIVITIES," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Har, Jordan, Onishi, Oshiro and Tokioka voting aye with reservations, and with Representatives Choy, Ichiyama, Kong and Takayama voting no.

H.B. No. 1180, HD 1:

Representative Saiki moved that H.B. No. 1180, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you. Just small reservations. I think the intent is good. I just talked with local contractors and they were concerned about some of the other parts of the bill, so we're just going to watch it as it goes through the Senate. Thank you."

The motion was put to vote by the Chair and carried, H.B. No. 1180, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROCUREMENT," passed Third Reading by a vote of 50 ayes to 1 no, with Representative Tupola voting aye with reservations, and with Representative McDermott voting no.

H.B. No. 1187, HD 1:

Representative Saiki moved that H.B. No. 1187, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, just with reservations. Since we have passed a lot of legislation this past week in regards to the prohibition of cigarettes, e-cigarettes, *et cetera*, our revenues are dropping in the tobacco tax. Thank you."

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

The motion was put to vote by the Chair and carried, H.B. No. 1187, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF TAX REVENUES," passed Third Reading by a vote of 47 ayes to 4 noes, with Representatives Say and Tokioka voting aye with reservations, and with Representatives McDermott, Rhoads, Thielen and Tupola voting no.

At 4:26 o'clock p.m., the Chair noted that the following bills passed Third Reading:

H.B. No. 971, HD 1
H.B. No. 1167, HD 1
H.B. No. 1172, HD 1
H.B. No. 1180, HD 1
H.B. No. 1187, HD 1

At 4:26 o'clock p.m., Representative Saiki requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 4:39 o'clock p.m.

LATE INTRODUCTIONS

The following late introduction was made to the Members of the House:

Representative Rhoads introduced his intern, Arienne Baker; and Judiciary Committee Staff Attorney, Jessie Faige.

ORDINARY CALENDAR

THIRD READING

H.B. No. 1352, HD 1:

Representative Saiki moved that H.B. No. 1352, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. No disrespect to the introducer. With reservations. My reservations basically stem from some comments I made earlier today. I would like to support my Department of Education and the Board of Education and the progress they have moved forward with hiring some CPAs and doing some new audits on different divisions in their departments and making major changes to their departments. I know this is a huge undertaking, but I would like to allow them to continue what they're doing right now in providing those reports to us. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and H.B. No. 1352, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," passed Third Reading by a vote of 51 ayes, with Representative Jordan voting aye with reservations.

H.B. No. 749:

Representative Saiki moved that H.B. No. 749 pass Third Reading, seconded by Representative Evans.

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

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

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

Representative Kawakami's written remarks are as follows:

"Mr. Speaker, I have reservations on this bill. I believe that we already have enough laws in place with regards to littering, and if littering is the issue then more trash cans might be a better part of the solution than this bill. Mr. Speaker, this bill will be a burden on the city, the counties, and the State of Hawaii, and therefore, Mr. Speaker, I will be voting with reservations on this bill."

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

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

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

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

The motion was put to vote by the Chair and carried, and H.B. No. 749, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Third Reading by a vote of 48 ayes to 3 noes, with Representatives Cullen, Har, Jordan, Kawakami, Oshiro, Tokioka and Ward voting aye with reservations, and with Representatives Kong, McDermott and Tupola voting no.

H.B. No. 314, HD 1:

Representative Saiki moved that H.B. No. 314, HD 1 pass Third Reading, seconded by Representative Evans.

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

"Thank you, Mr. Speaker. This is along the lines of that other measure that I voted reservations on, so I'll be standing with reservations on this, and I really don't want billboards in my communities or on my parks or providing a name placed somewhere for some dollars to help for improvements at this point in time. Thank you very much."

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

"Mr. Speaker, no vote and a brief comment. For those who don't believe that billboards and all those other things are slippery slopes, they should vote for this. But if they think that this is going to stop at what's in this bill, I think there's going to be a big surprise in the future. Thank you."

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

"In opposition. The place where I grew up, you couldn't see a sunset because of all the billboards. I agree that this is a slippery slope, and I think we should stop here."

The motion was put to vote by the Chair and carried, H.B. No. 314, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT

BUILDINGS," passed Third Reading by a vote of 44 ayes to 7 noes, with Representative Jordan voting aye with reservations, and with Representatives Fukumoto Chang, Keohokalole, LoPresti, Matsumoto, Pouha, Thielen and Ward voting no.

H.B. No. 1356:

Representative Saiki moved that H.B. No. 1356 pass Third Reading, seconded by Representative Evans.

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

"Mr. Speaker, I'll be speaking in strong support of House Bill 1356. Just brief remarks and the rest of my remarks will be placed in the Journal if it's okay.

"First, let me thank leadership for giving me the assignment to address the health unfunded liability, which is currently about \$18 billion. I gave up my Chairmanship for Veterans, Military, & International Affairs, & Culture and the Arts, so I can concentrate and focus in addressing this health unfunded liability.

"The inspiration and motivation, I got it from my grandkids. Every time I look at them, and I have a one year, seven months old grandson, and the question I ask is this, what will be your future? What will your future be with heavy burden going forward? Because a lot will be saddled, not only to my grandkids, but to the future generation. You have to understand that in 2013, under the pay as you go, we are already paying \$873 million and increasing.

"In 2013 we passed Act 268 where in prefunding on OPEB, Other Post Employments Benefits. Under Act 268, by 2019 we will already be paying about \$500 million each year for the next 30 years. We have to fund both the premium funds, which was \$873 million in 2013, and \$500 million by 2019. It means that even by next year we will already be paying over \$1 billion in premium under pay as you go and putting up money under reserve under OPEB. The question I ask is, where are we going to get the money?

"There are only three ways we can do that. On the part of the State, increase GET. On the part of the counties, raise property tax. If you are a resident of Hawaii and you are a property owner, you can be hit twice. So the point that this problem is increasing, it will be hard on the part of not only us right now but the future generations. They are being saddled with a heavy burden.

"The way I look at it is this bill that we are acting right now is to address the unfunded liability without raising GET, without cutting back on employee benefits that we were promised, or laying off employees. This is an out of the box way of addressing this problem, and thanks again for leadership for encouraging us to think outside the box.

"House Bill 1356 has the potential of saving billions of dollars to benefit the State, the counties, especially our constituents, a lot of them are just a paycheck away from being homeless. I therefore urge all Members to support House Bill 1356. There's no downside to this bill as I look at it, and if you're tempted again to vote no, please don't, just vote W/R. Because when you vote W/R, it means you are With Romy. Thank you."

Representative Cachola's written remarks are as follows:

"First of all, I want to thank House and Senate Leadership, the Administration and some segments of the private sector for encouraging policy makers to think outside the box to find a solution to the State's health unfunded liability, which is currently estimated to be \$18B. I introduced HB 1356 based on this encouragement.

"To fully understand HB 1356, I encourage everyone to read Section 1, or the purpose section, of the bill. One key thing to keep in mind is that the new Other Post-Employment Benefits (OPEB) standards, under Governmental Accounting Standards Board (GASB) statements #43 and #45, do not mandate the funding of OPEB benefits. In other words, we are not required to set aside assets in advance to pay benefits in the future.

"Paying for both the increasing costs of healthcare premiums as well as prefunding other post-employment benefits is not sustainable into the foreseeable future with the State's current and projected revenues. Some of the easiest ways to address the unfunded liabilities for public employee health benefits are to:

1. Raise revenues by increasing taxes;
2. Reduce benefits to state and county employees, retirees, and their dependents;
3. Reduce workforce of state and county employees;
4. Or a combination of any of the above.

"Prefunding OPEB Fund at \$500M per year over 30 years as mandated under Act 268 by 2019 in addition to pay as you go premium payments for Government employee health benefits places a heavy burden on future generations. By 2015-2016 we will already be paying both funds equaling over \$1B combined and increasing yearly.

"HB 1356 is an innovative way to address the Health Unfunded Liability without:

- Increasing the State GE Tax & County Real Property Tax
- Laying off current employees
- Reducing already promised employee benefits

"Please note that if you are a resident of Hawaii and a homeowner you can be hit twice with tax increases. An increase in GET by the State and increase on property tax by the county in order to meet their share of the mandated contribution under Act 268. If you are a renter, you will also be hit twice, both from GET and from the landlord who passes the property tax increase along into the rent payment.

"My inspiration and motivation for coming up with this bill begins with my grandchildren by asking this question, "What will their future be with this heavy burden?"

"Passing this policy as set in HB 1356 will result in long term cost savings in the billions for the State, the counties, the members of the Employer-Union Trust Fund (EUTF), and most importantly, our constituents, many of whom are a paycheck away from becoming homeless. The efficiencies set under this policy will save taxpayer money and provide the State and counties financial flexibilities to fund other needed programs and services.

"Since the financial viability and future of Hawaii, the counties and our constituents is at stake, I urge all Members to vote in support of HB 1356."

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

"Thank you. With Romy please, Mr. Speaker, all the way."

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

"Same request."

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

"Same request."

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

"Same request."

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

"Same request."

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

"Same request."

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

"Same request."

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

"Same request."

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

"With reservations and I would like the words of the previous speaker inserted as my own," and the Chair "so ordered." (By reference only.)

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

"Thank you, Mr. Speaker. With reservations, and I'll be supporting the Representative from the 30th District. Thank you."

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

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

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

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

"Yes, Mr. Speaker and Members, straight up, support."

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

The motion was put to vote by the Chair and carried, H.B. No. 1356, entitled: "A BILL FOR AN ACT RELATING TO UNFUNDED LIABILITIES," passed Third Reading by a vote of 43 ayes to 8 noes, with Representatives Aquino, Choy, Ichiyama, Jordan, McKelvey, Morikawa, Onishi, Oshiro, Rhoads, Takayama, Tokioka, Yamane and Yamashita voting aye with reservations, and with Representatives Cullen, Fukumoto Chang, Ing, Kawakami, Kobayashi, Lowen, Matsumoto and Tupola voting no.

H.B. No. 134, HD 1:

Representative Saiki moved that H.B. No. 134, HD 1 pass Third Reading, seconded by Representative Evans.

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

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

"Mr. Speaker, I support this, and it may come as a surprise that someone who votes against all taxes and fees and fee increases would support an extension like this, but it seems to me that we've reached a point where this is what we need to do. It's a responsible decision. Now I'd like to see us fully fund the project, go to the University and what other legs we have.

"It's also a nod to those people in my district, the working men and women, the hard hat. At every block there's a pickup truck with a hard hat and either painter's equipment or masonry equipment or carpenter's

equipment. Those are the working folks, Mr. Speaker, who make this community, who do the live and die and breathing and sweating in this community. We've started it, we've got to finish it.

"Now as my good friend the Judiciary Chairman mentioned last week, there are multiple reasons why we're in this position. *Force majeure*, I mean the \$300 million of revenue that is a shortfall, it's nobody's fault, we just didn't collect those tax revenues. The lawsuits, the set aside to do the archaeological survey cost us about 24 months in construction time, and because we didn't start and had already signed contracts, we had to pay \$180 million in fees for not doing the work on time. And so then you get to these delays cause an increase in construction. So it's really nobody's fault. It's a sad situation.

"The second issue is I don't think the relations between the Mayor and the Council is any of our business, quite honestly. This is before us, it's up to us. This is a tough decision, and that's why we ran for office, to make these decisions.

"Mr. Speaker, some of the folks who support the train actively worked against me last time, but that's irrelevant. The thing is that, for our side of the community, certainly this is the right thing to do. I was caught just recently, I was late today, an hour and a half. I got caught in traffic, I couldn't get in. If I had the opportunity to ride the train I would have taken it to get here on time.

"So, Mr. Speaker, for those reasons, if I'm willing to support this given my record against every fee and taxes, then it must be something that we have to do. So for those reasons, I say thank you."

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

"Thank you, Mr. Speaker. A no vote, please. And I know that we have some proponents in the gallery, so I wanted to share my comments from my district after speaking with the people who are my constituents.

"I think that it is something that needs to happen and that needs to be finished. All we're asking for is disclosure. Letting the public know that every possible avenue is vetted out to save money. If it means getting a private company in there or if it means changing the technology, whatever can and can't happen, that's fine. Just have a public hearing, let the public know what the options are that everyone has.

"I know that there's a dream to have it to alleviate traffic, and everyone wants to see that, but we also want to see that this is really going to be able to happen sometime in the future. If so, what is the quantity of money that's going to be put forward in order to finish it, which if it's too atrocious to share with the public, then maybe that's what we need to know before we make a vote.

"I want to make a good vote if I'm ever going to vote to extend a tax, but I want to make a vote determinant upon correct and accurate information. So if we had more of that, then I'd be able to say, yes, there will be an end. But right now, the people in my community are not convinced that we know all the information. So, thank you."

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

"Thank you, Mr. Speaker. In strong support. Mr. Speaker, I feel it compelling to say that I feel that it's ironic that on a Monday morning I can wake up, leave my house in Kapaa on the island of Kauai, and still beat my colleague from Waianae here to the Capitol. I think it's an erosion on our quality of life. I think if you have young kids that you have much better time to be spent with them.

"And I'd like to remind people that are not affected by rail, meaning that they don't need it in their district, that if this project shall fail, and I want you to understand how federal dollars work, any chance of us getting federal matching funds for any future projects are put in jeopardy. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in opposition. Mr. Speaker, for the purpose of disclosure, I want you to know that when this tax was passed, I was in the Peace Corps in East Timor, some people think because I have been around for a while that I was part of this and I'm just changing my position, I'm not, and I'm for three specific reasons against this.

"Number one, I'm very disappointed about the skin in the game. First in the private sector. I use the example of Japan and Denmark who basically has the private sector build these rails and mass transit, and then the development rights, which we call the TOD, the Transit-Oriented Development, then they make their money in the hotel or the condo or the shopping centers. Therefore, the taxpayers aren't stuck with a full bill. I don't see any private money in this whatsoever.

"Other skin in the game, City and County, they haven't even gotten their GO Bonds yet. They have not even issued a bond because there's a controversy between the Mayor and the Council. That relationship needs to be fixed in order to fix this. So skin in the game, number one.

"Number two, no tight planning. If you fail to plan, you plan to fail, and this thing has been so loosey-goosey. Costs have come out of the air where, how did this happen or where is that. Things are not locked down. This is a billion dollar project. The tighter a project, the more money it needs, the tighter the plan should be. Mr. Speaker, this is still loosey-goosey. People are wondering where and how things are going to happen and when it's going to happen.

"We are seven years out from the actual date that it's needed. We're saying, well look, we've got to do it now. The full rationale of that was explained to the Finance Committee, but I'm not sure that too many people really understood what it was and why it's got to be now. Fortunately, the Governor is sort of putting his foot down and saying, well maybe not exactly now.

"Mr. Speaker, the third reason I'm opposed to this is the unintended consequences. This tax fever now has spread to the neighbor islands. We have to, with this bill, give every county the power, not just as we've given in the past through our Constitution property taxes, but actual taxes to have a GE Tax in the different counties. I think that's a very bad consequence and something that is not a good foreboding.

"The bottom line, Mr. Speaker, we could do it better, we could do it smarter, and I think if it's going to be built it's got to be built the wise way, not just a willy-nilly, here and there, and time and again to come back to us and ask for help. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. Please note my reservations on the measure and very brief comments, Mr. Speaker. I really appreciate the fact that House leadership and the Finance Committee looked at foresight and actually made this bill a tax reduction for those in the County of Honolulu, Mr. Speaker.

"My concerns stems on the issue that this tax will be existing far longer than future Legislatures. There's no set date for it to sunset. And so if we're going to looking at an ongoing tax, I think it requires more discussion as well as more transparency both from the City and County of Honolulu but also by HART. Mr. Speaker, many of our colleagues here have asked for specific information regarding the planning, regarding how TOD is being designed, regarding how partnerships are being developed to reduce the overall costs. And some of that information has never been sent to many of the Members here today.

"So this project needs to happen, okay, Mr. Speaker. It'll help move people from my community and communities on the west side both to work and home, and improve the quality of life of many of our Members. But, Mr. Speaker, also what I call is to ask the Mayor and the City and County of Honolulu to make sure that they put in writing, put it in the PLAs, that they hire local labor first. Thank you."

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

"Thank you, Mr. Speaker. I rise with reservations. Just very briefly, lowering the cost of living has been one of my top priorities, which is why this measure is very difficult for me. However, we're currently faced with a situation where every single one has consequences. Every single option has consequences, and the battle is choosing which is the best one. I'm very reluctant to ever raise taxes, but the cost of stopping the project has even more consequences, and the option of raising property taxes is equally as troublesome.

"That being said, I feel that we can't continue this tax in perpetuity. We're going to need out of the box strategies, and there needs to be checks and balances for the City and County as well as for HART. And at this time I'm still engaged in conversations with my community as to where they feel, which is why I stand in reservations today. Thank you."

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

"In support. I do have a couple of concerns though, but the reason why I'm not with reservations is because this needs to happen. We're billions of dollars in, we're billions of dollars to completion. It makes no sense to turn around and swim back to the island that we came from.

"My first concern is the idea of putting good money after bad money. Basically we need to move this forward with an audit going even past the beginning of HART to when these plans first came to be and to see if the people involved, did they know what the costs were going to be, did they purposefully underestimate the cost knowing that we'd be in this bind years later.

"Secondly, we should put conditions to make sure that this rail does get to UH Manoa, that some of the money that they use is taxpayers' money, doesn't get used for swaying public opinion via advertisements. That's not the job of the public. That's the job of the Mayor and other politicians outside during campaign time. We should also make sure that there's legislative oversight throughout the duration of the project to its completion and beyond. That's all. Thank you."

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

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

"Thank you, Mr. Speaker. I rise in support of this measure but with some reservations. If I had my druthers, what I would try and do is work on the Senate bill that came over. The Senate bill for some of us who are looking at this measure seriously, knowing that we have to make a decision this year some way of going forward on the rail question, I believe has a surcharge of 0.5% and it continues out to 2022 and beyond five more years to 2027.

"The current draft before us, the House bill, the House position going over to the Senate, reduces the surcharge 0.5% to 0.25% effective January 1st, 2017. I don't sit in the Finance Committee so I'm not privy to all the calculations or what that might be on the fiscal front as far as the revenue that would be ported over to the City, but I think rough estimates gleaned from media reports is that, although you might extend it out for some period of time, let's say five years, it will certainly lead to a loss of about \$1.4 billion when you include the \$900, \$910 million they're currently short on. So again, that's one of the unattractive features of this bill.

"On the other hand, there are some attractive features, and I think it's one that there is no sunset date. This 0.25% may be extended beyond the current 2022 sunset date for the 0.5% surcharge. And depending upon how you calculate that endpoint and the revenue generating ability of that 0.25%, we may in fact have the ability, and I agree with my colleague from Maui, to take this out to UH Manoa, which I've always hoped that we could do. Also go back into Kalaeloa, Kapolei, and finish up the preferred plan that we always envisioned when we decided to go with this mass transit program back in 2005.

"So I guess we have to work with what we have, but again I hope that Members really weigh in on this issue, engage their communities and talk to them. I've been honest in my discussion with my community. I'm bullish about public transportation. I think we need it. It's a quality of life issue. It's a transportation equity issue. It affects all of us here on Oahu, and I'll even say on a larger scope regarding federal funding and the jobs, how Honolulu goes, the State of Hawaii goes. So for those reasons, I support this measure, hope we can work it out. Thank you very much."

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

"Thank you, Mr. Speaker. I rise with reservations. One is, I would like to see more transparency on the County, a need for financial accountability. Like that of the Representative from District 14, I can fly here faster than most of you coming in from the west side. The cost of raising taxes is a major issue for our district, but I would like the Mayor to exhaust every avenue that he possibly can. I would also like to insert comments to the Journal. Thank you."

Representative DeCoite's written remarks are as follows:

"Thank you, Mr. Speaker. I am writing with reservations on HB 134, HD 1.

"Initially when the State decided to place a surcharge on the state tax, it was supposed to be a temporary thing. Now we are trying to expand the surcharge, which seems to be in contradiction with what our Legislature told our constituents. I am a firm believer in following through with your intentions, but I do understand that you can't always follow through on a promise.

"If it were not for the current situation with the rail, I do not believe we would even be entertaining the idea of continuing this surcharge. Unfortunately, we are now in a situation where we must extend the surcharge in order to continue funding for a controversial rail project, or risk losing a very large amount of money, time, and other resources. Effectively we are stuck in this mess.

"At the very least, I support the fact that this measure allows each individual county to collect the surcharge revenue for their respective operations. However, this legislation presents an Oahu-centric mindset in regards to the needs of our islands. Not every county has as big of a transportation problem as Oahu, and what is good for some is not always good for all.

"Our islands are suffering from severe healthcare issues, among other things, and would benefit from directing their surcharge revenue towards more pressing matters in their counties. I would prefer to see more flexibility with what the counties can do with this surcharge revenue, as well as more accountability regarding the use of surcharge revenue. I also would like to see the counties work with their residents to figure out what the people need this money to go towards.

"Mr. Speaker and distinguished Members of this Body, please take note of my reservations to HB 134. I urge all of my fellow legislators to think very carefully any time we are voting on matters of taxing our citizens. Thank you."

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

"Thank you, Mr. Speaker. I stand in strong support. I stand in strong support because of watching what has happened from Maui. Today, good example, one of my people come into my office, took him an hour and a half to get down a stretch called Fort Weaver Road, which I understand is like supposed to be a 15 minute drive, Mr. Speaker. That's on any given Monday with no major accidents or rain or anything else. Even on this timeline, if this is happening on just a regular old day, what is going to happen further?"

"I come from the west side of Maui, Mr. Speaker, we have one road in and out, a *cul-de-sac* we call it. We know what it's like when somebody

rear ends somebody else and you have two hours of traffic not moving. As the good Representative from Hanalei said, I'd like to enter his words into the record as if they were my own, that's time away from families, that's time away from jobs, that's basically everything stops.

"Also I would like to add the words of the good Representative from Ewa, except for the part about voting against everything, because this is the point he makes. These trucks and cars you see are working people. And a lot of the jobs that are going to be created through this, either directly through rail or through TOD, are going to put many of those members, whose trucks are sitting in their houses all day, back to work. And not to work where they have to drive across the island, but right in their back yard, which relieves what? Traffic, Mr. Speaker. That's really the important thing.

"Nationally, if you look, the environmental community supports mass transit and light rail as a way to reduce green house gases, congestion, and all the other types of pollution and CO₂ emissions that are basically all over the place. We on Maui, Mr. Speaker, moving forward, would like rail, looking to the future, trying to get those easements set aside now, so that we can have this, which every major city in the world, people, has light rail of this size.

"So I guess the thing is, nothing is perfect in this world, but when you look at the imperfection of the gridlock that is coming and getting worse every day, Mr. Speaker, I hope we can continue to work diligently to address all the concerns. But as the Representative from South Maui said, to just simply ditch it, to jeopardize federal funding, and to see Fort Weaver Road where three hours, four hours is the norm of a given day, is surreal, Mr. Speaker. Thank you very much."

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

"Thank you, Mr. Speaker. In support with reservations, Mr. Speaker. If I'm correct, I think I did speak on Second Reading on this measure, but I'd like to thank the Representatives from the 13th and 14th Districts, because you're looking at somebody that gave myself an hour and 15 minutes to get in this morning, Mr. Speaker, and everybody was worried, where were you this morning.

"Well, Mr. Speaker, it took me two hours to get in this morning, and that was due to two late accidents that happened at the H-1/H-2 merge, about 7:15 this morning. So I hit traffic at the Kapolei entrance, and I stayed in traffic until the Halawa exit. I didn't go any more than 20 miles an hour, Mr. Speaker.

"I don't feel no pity, and you shouldn't feel pity for me. Because I thank the former legislators that allowed development on the west side. Because the east side didn't want it, and Honolulu didn't want it. We need to grow the Leeward side of Oahu.

"I used to sit on those neighborhood boards and I listened to the former Mayor Harris and their development team talking about this thing called hubs and spokes and rails, and I scratched my head and said, that would never help my community. And then I remember the former mayor, Mr. Hannemann, coming to the Waianae Coast, and over 300 people attended that meeting, Mr. Speaker, saying we need rail for our jobs and for our community. But yet I voted no when it was on that ballot.

"Here I am today. The train has left the station, and I am totally in support of the rail. It will never come to my community, it will never come to the district next to me. The closest it's coming to my community is UH West Oahu. And I pray someday it gets to UH Manoa so we can connect that educational circuit. And then the City and County of Honolulu can do that hubs and spokes, and create a better bus system for my community, because see, Mr. Speaker, many of the individuals that live in my community don't even own a vehicle. They rely upon the City and County of Honolulu transit system. A CountryExpress, 41, 40.

"See, when I was growing up, I depended on that bus. Number 52, and I learned the word, M-A-K-A-H-A, because I went to the sixth grade and my mother told me that's what you need to remember, M-A-K-A-H-A,

number 52, because that's the bus you needed to take home at sixth grade. I'm 50 years old now, Mr. Speaker, and it hasn't changed for my community.

"So I encourage everybody, we need to refocus, we need to make a commitment to the communities, we need to develop transit, and a hubs and spoke system, and we need to go forward with TOD, or DOT as they want to call it, which would be development along the transit line, because that's how we're going to redevelop our island of Oahu. Because the planes aren't going to stop coming, and families aren't going to stop growing, Mr. Speaker.

"And when the next development gets okayed by our City and County of Honolulu called Ho'opili, which they've been planning for 12 years, that's a minimum of 25,000 vehicles that gets on the road before I can get on the road. That's about quality of life.

"And unfortunately, some people may think that 0.5% is so burdensome on them that we can't see the vision of the future. We must remember that if you expend about \$20,000 in your groceries, in your rent, that's \$100. That's what we're talking about. So if an average family in Honolulu makes about \$60,000, they're probably spending \$20,000, \$30,000 a year on their expenses, so that could be costing them \$150 to support public transit."

Representative Choy rose to yield his time, and the Chair "so ordered."

Representative Jordan continued, stating:

"I think that's a very small sacrifice, because our alternatives are not pretty. Increase the gas tax, increase property tax. We don't have too many options. And unfortunately for the few that think we can just tear it down and make it all go away, we're still going to have a liability, and I think that will be worse for the citizens of Honolulu. And then it will now become the State's burden. Thank you very much, Mr. Speaker."

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

Representative Ichiyama's written remarks are as follows:

"Thank you very much, Mr. Speaker. I have serious reservations about this bill, which would lower the GET rail surcharge to 0.25% from the current 0.5% starting in 2017 and leaves open the length of the surcharge as well as the State's share of the surcharge.

"I have always supported the rail project and I believe it is essential to see it through to completion. It is not an option to stop building rail and pay back the federal funds. This is shortsighted and will only hurt the State in the future. I hope that the City and HART will pursue additional federal funds to complete the Locally Preferred Alternative, which extends the rail line to UH Manoa and to West Kapolei.

"At the same time, I have concerns about the current ability of HART to keep the rail project on budget and on time. I support the request for a fiscal and management audit of HART to improve oversight of the rail project and its implementation. I also support HART's efforts to redesign and plan the rail stations and remove the 'nice to have' items and cut down to what we 'need to have'.

"The decrease in the GET surcharge to 0.25%, while laudable, leaves open the question of whether the City will still be forced to raise property taxes to meet the HART budget shortfall. If we are reducing the GET surcharge only to pass the taxes onto homeowners through the property tax, this is not a preferable solution.

"I appreciate the hard work of the Finance Committee on this difficult measure and I will continue to closely monitor its progress for the remainder of this session. I note that this bill does have blanks and will return to this House for final approval. I hope that the concerns of this

Body and the concerns of the public will be addressed by that time. Thank you very much, Mr. Speaker."

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

"Thank you, Mr. Speaker. I rise in support. Before I begin, I ask that the words of the Representatives from Ewa Beach, Kahului, Waianae and the CPC Chair be entered into the Journal as if they were my own. Thank you, Chair.

"Mr. Speaker, I want to share and enter into the Journal a map. This is a map from Google Maps that I use every time before I go anywhere, because I live in Ewa Beach. And before I left the Capitol about two weeks ago, I entered in going home, what's the quickest route, because you never know what the quickest route is, given how traffic is always horrible. This particular day, it told me that the quickest route was to take the Pali to Kailua, and then to Kaneohe, and then back across the H-3, just to get to Aiea, not even halfway home. That's how bad traffic is.

"There is a colleague of mine who called me once over the summer, he was stuck in traffic heading west, and he called me and he said, Matt, this is a really bad traffic day, what's going on? I said no, no, this is a normal traffic day.

"The communities on Windward Oahu and East Oahu, and even Central Oahu and North Shore, I understand there's a lot of people who don't support this, but the reason there's not development there, is because it's where I live. It's because Leeward Oahu has taken the pain of development. And what we need with that is the infrastructure.

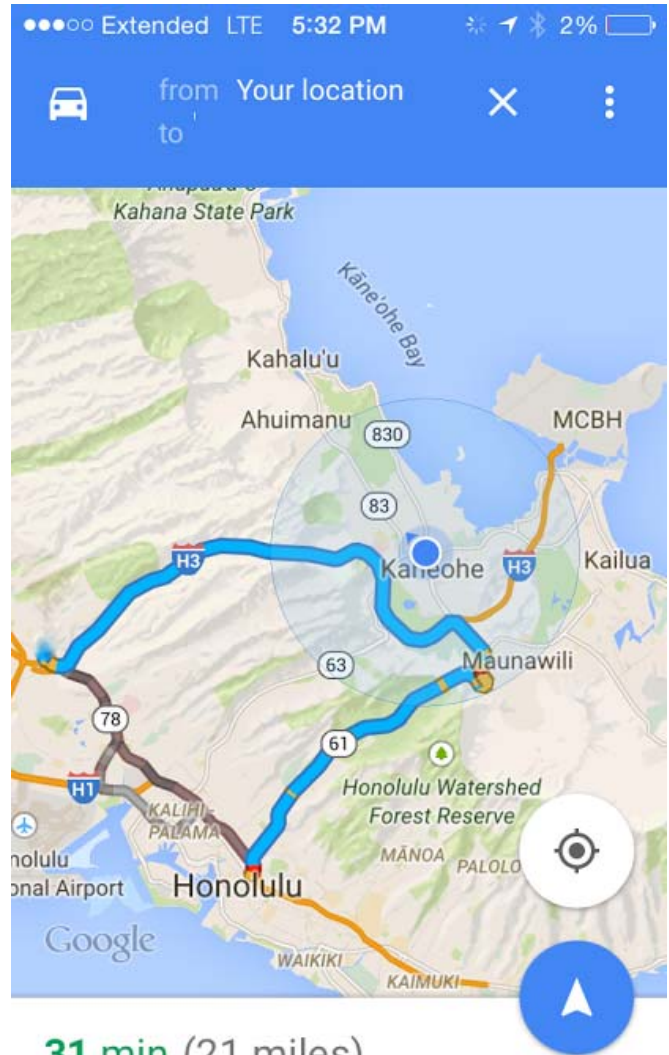
"People talk about how long it took to get to work today. It took me an hour and a half. It took my office manager two hours, he lives in Iroquois Point. It took my wife an hour just to get to Aiea. And the only reason I got to go an hour and a half is because I use Google Maps, and I guess I'm letting the secret out, it told me, now get this, to go east to the Capitol, I had to go west, to go all the way out to Kapolei. Once I got to Kapolei, I had to go up North/South Road, take Farrington. I drove the rail route today. And today, for the first time, I drove under the rail. Because that's the crazy route that was the quickest route here, and that was an hour and a half.

"This is becoming an everyday experience, and it is unacceptable. Even if development stopped now, today, on Leeward Oahu, we still need the rail. Even if it stopped now, we still need support, we still need help. And with Ho'opili coming, 25,000 new cars ahead of us. There are plans for the developer to put in some traffic mitigation things on H-1 elsewhere, after they build the development. They need to do it before, because we need that today.

"Mr. Speaker, I do believe that the State should seek more comprehensive accounting of the monies generated from the project through taxes. The Star-Advertiser, for example, reported this past Sunday that the rail and traffic are number one issues for many people on Oahu. We must continue to ensure that an interconnected infrastructure and transportation plan is achieved in order to sustainably provide transportation relief to our residents, especially those in my district.

"I urge my colleagues to support this extension, even if it means with reservations, because for many of you, again, the reason you're not facing these developmental problems in your area, is because we're taking the burden. But we need your help, if we're going to do something to help you. Thank you."

Representative LoPresti submitted the following:



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

"With reservations. I'd like the words of the Representatives from Wailua and Kihei to be entered into the Journal as if they were my own. I spoke earlier about this, I'm going to be doing some community outreach. I have a neighborhood meeting tomorrow where I'm going to have to explain why I voted in favor of a tax increase for an infrastructure project that does not go to my community, and I'm going to tell them it's so that I can keep the Representative from Ewa Beach out of Kaneohe.

"But also, it's because when I visited the residents of my communities when I was campaigning, the biggest issue, dozens of homes that I went and visited were filled with residents who were against the rail. But overwhelmingly more homes were filled residents who had family members, children, grandchildren, who are living on the mainland because they cannot afford housing in our communities anymore.

"If we ask ourselves where we're going to put all the people who want to live in Hawaii who are from Hawaii, who grew up in Hawaii, especially on this island, the only reasonable answer that I can see thus far is to build infrastructure to put them in our urban core. A lot of folks talked during the campaign about smart growth and smart development, and I think what they meant by that is this project. Like I said, it's an ongoing conversation in my community.

"We have to talk more about UH in my opinion, because it just makes logical sense if we're going to go through this exercise and talk about taxes, which is a painful thing to talk about. But for those reasons, I'd like to continue to stay engaged on this issue as I said before, so I'll be voting with reservations. Thank you."

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

"Thank you, Mr. Speaker. In support. Thank you, Mr. Speaker. First, I'd like to thank the Chair of Finance for her tactic recommendation that she made on behalf of the Committee on Finance. And I'd like to thank the Committee on Finance for ultimately passing out this measure so that we can debate it for this third Floor vote. Mr. Speaker, I often don't speak on the Floor, but I think this issue is very important.

"I represent a neighbor island, but it does impact me, and I see it as a 'we' issue. And it's, how do we move forward with some of our issues that face this great state.

"Traffic is most certainly one of them, Mr. Speaker. And I think that all of us hear the stories about how our colleagues and our family members wake up at 3:00, 4:00 in the morning just to get their kids in school and to make work on time. To me, Mr. Speaker, that's not acceptable. It's just not.

"So I know there's been a lot of discussion as to, well this is not going to reduce traffic, and I humbly disagree. You could look at some of the things that are happening in other jurisdictions, Mr. Speaker, places like California. And, Mr. Speaker, I don't know if you've ever driven on the 405 in Southern California, Mr. Speaker, but let me just give you a hint. It's horrendous, it's terrible. It's as terrible, in fact, as driving on the H-1. And what are they doing over there, Mr. Speaker, well they already have rail, but they're building high speed rail from Los Angeles to San Francisco for the tune of, I believe, \$10 billion. That's a cash-strapped state right now, but they're making a \$10 billion investment because they believe, collectively, that this is something that they need to do for their state. And I believe that this is something that we need to do for our state as well.

"Mr. Speaker, I know that there's emerging technologies such as automated vehicles or what have you, and I do believe that those will make a significant difference in reducing the traffic, but those are cost prohibitive for many of us, Mr. Speaker. Especially for those who don't have cars now.

"I think that it hasn't been accented enough, but let's talk about promises, let's talk about commitments, let's talk about contractual obligations. We have already made a commitment to the federal government that we're going to move forward on this rail. Now, do you think that the federal government is going to work with us again if we say, never mind, we're not going to move forward? They're going to laugh in our face, Mr. Speaker, when we come back and say, take a look at this application. They're going to say, no, we don't want to, because you guys don't fulfill your obligations. We're going to go with Texas, or we're going to go with Massachusetts, or we're going to go with California. And then where are we going to be when we need those federal funds, Mr. Speaker?

"So I urge my colleagues to think deeply, to think broadly about implications. I know it's tough, I know it's hard, but we have to stick together and move forward. So I urge my colleagues to support this measure. Thank you."

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

"Thank you, Mr. Speaker. In support. In some sense, I don't really have any skin in this game. I've commuted to the Capitol now for, started as a staffer in 2001, and it takes me 15 minutes door-to-door walking. There was one time where I had to wait two cycles to cross Beretania because a bus stopped right in the middle of the crosswalk and I couldn't get across safely. So traffic in many respects for me personally means pretty much nothing.

"But let me just talk about some of the things that people talked about before that I think are red herrings. One is information. If you go to

honolulutransit.org, there is so much information on this project, you'll spend, you could just drop all of your other work for the rest of the session and just read about this transit project.

"The planning, same situation. There has been so much planning, the EIS is, I don't know, 800 pages long or something like that. I think there's a supplemental EIS. All the lawsuits that I've talked about the other day with regard to delaying the project. They lost us a lot of money. They lost us a lot of time.

"But one good thing they did was they made the planning even more precise because the federal judge worked it all over, looked over all those questions and said, yeah you've got to do this, you've got to do that, and yes you've already done this, yes you've already done that. If I remember correctly, it was an appeal to the 9th Circuit, and a three or five judge panel looked at the planning again. So the planning is, I can't imagine a project that has ever been this carefully planned.

"The question of why now? The question for why now is called the procurement code. You can't commit money until you've got a source to pay for it. This is the same problem that the Kona Courthouse has, DAGS doesn't want to move forward with the project until they've got the money in their hands. And that's why HART is holding up, that's why they're here today in 2015 and they hope not to come back in 2016 or 2017.

"I've always disagreed with the argument that it doesn't help any other areas besides the places that it actually goes. And the reason it helps is, if you're driving into town, there are going to be fewer cars on the road when you get here. It's like having pipes in a water system. If you have an extra pipe, the other pipes don't have to be as full. And yes, there will be more traffic as the population grows, but compared to what it would have been otherwise, there's going to be fewer cars on the road no matter which direction you're commuting from. Over the Pali, over the H-3, over the Likelike or in from East Honolulu.

"With regard to the question about PR, there is one issue that I kind of disagree with HART about is, when Dan Grabauskas came in and took over at HART a few years ago, he cut like 80% of the PR, which I thought was a mistake. And the reason why I thought it was a mistake is it's a \$5 billion project. People who have never lived in a city with a rail system, how are you going to know how it works? Somebody has to explain that the buses will stop at the train stations. That the ticket from the bus will work on the train. That there'll be park and rides for cars that they can stop at the train station. It all seamlessly fits together. There's one fare that you pay. You have to tell people how things work, you can't just expect to spend \$5 billion and not explain anything. So I think if anything there's not been enough PR on this project, and it's one area where I really disagreed with Mr. Grabauskas's strategy.

"I would just end by saying that, this is a project that is transformative. It will focus development along the rail system. My bold prediction, well I don't know how bold it is, other people have made it too, my prediction is that 10 years after the rail is built, and I think it will be built, 10 years after it's built people will wonder how we ever got along without it. *Mahalo*."

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

"Thank you very much. First of all I'm voting up and I ask all of you to, within your conscience, please vote up. And before I go on I want to thank the young people from Maui who's not going to benefit by this but all voted up, clear. Thank you very much. And also the Representative from Waianae who's not going to benefit from this, she voted with reservations, but with strong arguments why we should have the rail. And with the Representative from Kalihi, he just walks to work, but he also favors this.

"This is what I call statesmanship. Where you can look beyond your own needs and look at the needs of the State as a whole. Not looking for today, but looking for tomorrow, five years, 10 years, 20 years. You know that the traffic is going to get worse. It's not going to get better. So for all of you that are voting it, you're taking the role as a statesman which you should, and I'm very proud of you.

"Now, some of you complained about that 0.5%. I've never in my career heard people complain when you lower the taxes. I must say that that argument is probably not very compelling. Not only will you lower the tax, but this tax that we lower it to, the House did, 0.25%, can take care of all the needs, especially if you start looking at maybe a 25 year span. You can get bonds for over \$1 billion and take care of all of your debts and move on. This is what you want to do.

"We can look at taking care of University back to Kapolei. Maybe even back to Hawaii Kai. Rails don't end after one project, and some Representatives say I think it may go on for a longer time. Yes, probably it will. Probably it will because our traffic is not going to get better in five years or 10 years or 20 years. It's going to get worse. We're going to need more routes, more avenues to get in.

"And if the only area that you build homes is going to be on the west side, you can't build homes here except very expensive condominiums like \$1 million, \$5 million, \$25 million. Maybe some of you will have that kind of money in the future where you can buy one, but you're going to have to go west or you're going to have to go Maui maybe or Kauai or Hawaii.

"Also what this bill does, even though I have my friend the Mayor sitting there, bringing it down to 0.25%, it is begging the County to participate in this project. And the Mayor is smiling because he knows he'll have to. So it'll be a partnership between the State and the County and private enterprise. So thank you very much for allowing me this time and thank you for your strong vote, which I expect to get here very shortly. Thank you very much."

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

"Thank you, Mr. Speaker. In support. Everything that the Speaker said is correct. And one of the things, in consultation with the Speaker, the reason why the Finance Committee lowered the 0.5% surcharge to 0.25% is, when we look at the bill, we cannot be so Oahu-centric.

"Although a majority of the discussion was about Oahu and the rail system, because now we're at a position that we have to offer it for all the counties. The question is, is 0.25% okay for all the other counties. So it's our obligation to look at from the state tax policy whether we at this point are able to give up the taxing authority to all the counties. It's one thing to take care of the Oahu issue, but are some of the neighbor island counties willing to withstand the 0.25% increase.

"The other thing I think we need to figure out is, I think there's a lot of disagreement about what is the county's responsibility. For Oahu, it is for rail. For the neighbor islands, I think in 2005 when they dealt with this issue the other neighbor islands rejected the tax increase right away. Since then for the last 10 years what we've been hearing has been all regrets. So once we authorize this, I think there is going to be full discussion with the neighbor islands on whether they will also authorize this tax.

"So as state policymakers, yeah, we have an obligation to rail. But at the same time, what is our obligation to take care of our state services and what is our ability to give up a taxing authority, 0.25% as the Speaker said, I think it's appropriate. Thank you."

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

"Thank you, Mr. Speaker. In support with reservations. Very brief comments. I wanted to pick up on the comments of the Chair of Finance and taking a look at the taxing policy for the other counties, and I hope that as part of the discussion moving forward, we've heard a lot about our public hospital systems, so if we could maybe broaden what that county surcharge might be for the other counties, because I think we keep coming back to the issue of how are we going to fund our beleaguered hospital system. So this clearly is a funding stream for that.

"Secondly, a few comments on the surcharge as it relates to the City and County of Honolulu. I do have reservations. I think much has been said about skin in the game for the City and County of Honolulu. I think as we move forward I would like to see more than just a letter or a resolution

from the City Council in support of the bills being heard by this Legislature. I would like to see movement on the bonds. I would like to hear a conversation about a real property tax increase on properties that exceed \$2.5 million, \$5 million. Frankly, I don't know anyone here who resides here who has a property that's that expensive. So as the Finance Chair made remarks earlier about how real property taxes are being exported to individuals who don't live here, let's go after that as some revenue stream for the rail.

"Finally, Mr. Speaker, my community is going to be welcoming the Mayor and the HART Board into our community to discuss this very project on March 30th. So I'm eager to hear from my community, from representatives from the HART Board, as well as the Mayor, as we move forward on this bill. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In support. I'd like to incorporate the words of the Finance Chair as if they were my own. I'd also like to comment on that, I think the whole state should be more consistent in the taxes, because I for one purchased something on Kauai, brought it here to get a refund, and I had to pay 0.5% tax on my refund. So that's the reason why I would like the consistency. Thank you, Mr. Speaker."

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

"Mr. Speaker, I'm speaking in support of House Bill 134, but with reservations. As you know, I have supported rail even when I was in the House. And the only thing that I can say and ask is that the City and HART should play smart or smarter.

"When they started building the rail, we made a suggestion to start downtown going to the Leeward area rather than the other way around. That is a big mistake on the part of HART and the City. And I cannot understand, and I came up with a lot of op-ed, that if we start from the Leeward area coming in, you finish the first leg, or even up to Pearl City or Aloha Stadium, I question, who is going to ride? Those kinds of things should have been followed through by the Administration, to start Downtown going to the Leeward area.

"When they came again and when we debated or heard House Bill 134 in Finance, I urged the City and HART to at least find ways to cut costs in the construction of the rail. I suggested that the most expensive portion of the rail, that is from Ala Moana Shopping Center all the way down to maybe Aloha Stadium, must be done first or fast-tracked because the cost in Downtown is three times the cost from the Leeward area. And if you fast-track the construction, with inflation and the cost of construction going higher, you'll finish that and you will save a lot of money.

"The other thing that I can see is this. We should be concentrating in completing the 20 miles minimum operable segment, because that's the line that we have signed a contract with the federal government under a full funding grant agreement. Forget about all the other extensions in the meantime. Concentrate on the 20 miles because that's what we have to do, so that the feds will look highly on what we're doing.

"When it comes to traffic, we should think again outside the box. When Senator Inouye was still alive, I went to see him and we were able to get \$4 million as a pilot program for an intra-ferry system from the Ewa Marina all the way down to Aloha Tower. And we went and tried it, and it was fast. In less than 30 minutes you were already in downtown Honolulu. We should look further in terms of coming up with an intra-ferry system while the rail is being constructed to at least give the residents of the Leeward area another means of transportation so that they will not be stuck in traffic. So all these kinds of things should be looked at.

"Again, the most expensive part of the rail must be done right away. And I asked this question, and the response of the City and HART is that yes they'll do it at the same time as whatever is the contract that they already signed in the Leeward area. So hopefully, we want to see that the City and HART is going to push through what they have stated in the

Finance Committee to save taxpayers money. So I would be supporting with reservations on House Bill 134. Thank you."

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

"I'm supporting with very, very minor reservations. I appreciate the Finance Chair's 0.25%. I lived in the Bay Area, and I noticed that with a BART tax it affected only those cities that BART went to. And that's my concern. My concern is that it's going to spread to the neighbor islands, especially with the Attorney General's report stating basically that enforcement is an issue.

"I do understand that the county is going to need it, especially the County of Hawaii with the infrastructure expenses, the massive infrastructure expenses Mayor Kenoi did for the district of Puna, my district. So that's why it's with very, very minor reservations.

"My concern is that GE Tax is a regressive tax. It affects the poor more than it does affect the rich. Again, I appreciate it's 0.25% rather than 0.5%. I do have concerns that if it goes to the neighbor islands, that people are going to push it towards healthcare rather than allowing the counties to use it. I know that's not here, but I'm putting in my two cents worth. You know the County of Hawaii, especially Puna, we need infrastructure more than we need, we probably also do need healthcare but not right after disasters.

"Again, I see the need for mass transit. When I grew up in Honolulu, that's all I went, we depended on it. We didn't have cars. I could see it now, I could see it in the future. I thank the Chair for creating a creative solution for it. Thank you."

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

"Thank you, Mr. Speaker. In support. Thank you. I previously spoke with reservations and I hope that the City Council heard my reservations and will be submitting some sort of testimony at some point to let us know where they stand. But having already said that, I think I can just support this straight up now."

Vice Speaker Mizuno: "I'm sure you weren't influenced that the Mayor's up there that changed your reservations to straight up."

Representative Fukumoto Chang continued, stating:

"At least he came to testify. Where was the City Council, excluding Councilmember Pine? I did want to just address something slightly different in my comments this time. I think as the Minority Leader of a caucus that is voting the majority in favor of this favor, I've become the focus of a lot of anti-rail Republican sentiment, and I'm getting a lot of phone calls asking me to kill the rail. So I wanted to make a couple of things clear.

"First of all, those are not coming from my district. I think this is the best thing for my district, which is Mililani and Mililani Mauka. It took me also two hours to get in this morning, so I recognize the struggle that the families in my district are having.

"But to make one other thing clear, which is that we are not voting to kill the rail or to pass the rail. That is already done. The City and County has the power to build the rail and they have the power to fund the rail. They have the ability to raise property taxes. They can raise revenues from other things. All this is doing is giving them another option. We're saying, maybe we don't want you to only be able to choose property taxes. We want to maybe let you choose the GET, because that might be better, it might spread out the burden more. And we want to make sure that they have that option, and that is all we're saying.

"This bill says that the county may adopt a surcharge. We are not saying that we are telling them that they have to. They have to choose that. They have to look at their own finances and decide what's best. What is the best, most fiscally responsible way to build the rail, which we so desperately need in Central and Leeward Oahu. But that is on them, they get to decide

that. All we are deciding today is whether or not we want to give them the option, so they have more choices. So I just wanted to make that clear. Thank you."

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

"Thank you, Mr. Speaker. Upon hearing the great speech from our Speaker, I'd feel remiss if I didn't ask for a ruling on a potential conflict of interest. My wife spends so much money here in this county that this tax break is going to benefit me directly in my pocketbook," and the Chair ruled, "no conflict."

Representative Kawakami continued to speak in support of the measure, stating:

"Thank you, and just still in strong support. I'd just like to remind my neighbor island colleagues that we are dependent on the island of Oahu and we need help and support. And I can tell you that, coming from the Island of Kauai and going through Hurricane Iwa and Hurricane Iniki and 40 days and 40 nights of rain that has washed out our highways, and I can say that if you're on the Big Island and you're being impacted by lava flows and hurricanes, that we would not be able to get the appropriations that we needed to get our community back on track if it weren't for the support of our colleagues from Oahu.

"So I can speak confidently that on behalf of the Kauai delegation, if you're asking us to stand shoulder to shoulder and lock arms with you in your time of need, we're here for you. Thank you, Mr. Speaker."

Representative Ing rose to respond, stating:

"Briefly, still in support. I'd like to adopt the words of the Speaker of the House, Minority Leader, the Representative from Kauai. I just want to make one last point that, in addition to the tax that may be levied upon neighbor island residents by our county councils, there is the Oahu tax, that since everything is shipped here and goes to our islands, although it won't show up in the tax section of the receipt, it will show up above that in the subtotal in one way or another. So just that point. Thank you."

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

"Thank you, Mr. Speaker. Rising in strong support. I just want to make some things clear, because our votes get tallied on a website that goes out to people and some people read my vote 'with reservations' and didn't understand why I voted with reservations, because I've always supported the rail project. Even a few people in the gallery were wondering why I voted with reservations. But what I said about 'reservations' was I thought 0.25% was not enough. So I know that this is still a work in progress and it still has a long way to go.

"The other thing I will say about people who talk about the neighbor islands and their ability to put this tax in play. Well, in 2000 they didn't do it. So what makes us think that they're going to do it now? They had a hard time passing additional taxes on luxury homes. So for the neighbor island people, I would say as a person who was a councilmember for 10 years, you have a lot of young councilmembers on the neighbor islands, I don't think they're going to increase a tax through the GET through their taxing powers.

"One of the questions I asked in Finance was the cost of the rail from the airport to Downtown. At that time, I didn't get the answer, but after the meeting I did get the answer. I was hoping that the answer was going to be less than \$25, because that's what it costs now. So for all of the people who come from the neighbor islands who come to Downtown, whether they come to the Capitol or the doctor's appointment or any meeting Downtown, that's how much they pay one way, Mr. Speaker, \$25 for a taxi fare. If they rent a car, it's probably \$30, \$40, \$50 depending on the season. So for those reasons, that's why I support the rail.

"And for the people on the west side of this island. I experienced the traffic waking up in the morning coming in from the west side to Downtown, and I don't know how you folks do it. I really don't know how

you do it. Maybe we should introduce a resolution that gives you *per diem* as well, because the traffic is ridiculous. Oh, oh, take it easy.

"So Mr. Speaker, for those reasons I stand in strong support, and it's up. As the Representative from Waianae said, the bus left the station. I'd also would like to ask for permission, Mr. Speaker, I was going to insert a few comments into the Journal of the speakers that spoke before, but I don't want to exclude anyone, but there's a lot of good speeches that happened today, so I'll start with the good Representative from North Kauai, his two speeches, Mr. Speaker, if I could ask that they be inserted into the Journal. The Representative from Ewa, the Representative from Kihei, the Representative from Kapolei, the Representative from Waianae, the Representative from Ewa Beach, the Representative from Wahiawa, the Representative from Lahaina. The Speaker of the House and the Judiciary Chair. Thank you very much for the time, Mr. Speaker," and the Chair "so ordered." (By reference only.)

Representative Pouha rose to respond, stating:

"Thank you, Mr. Speaker. Second time. In speaking with the Representative from Molokai, she did tell me that it takes her quicker to get from Molokai to here than it takes for me to get from Kahuku to here. So I'm very cognizant of that, and so I too would like to also adopt the words of the Minority Leader and also the Representative from Kahaluu as if they were my own. And I would just like to say that the phrase, 'Keep the Country Country' has been credited to have come from my district. The second half of that statement, and I will predict in the future, but the second half of that statement is, 'Keep the City City' and so that's what we're trying to do here.

"We're trying to keep this contained to the City with Transit-Oriented Development. And so there are also people that can misconstrue votes for having reservations, ayes with reservations. So with that I'd just like to share my comments in that and still have the permission to insert written comments."

Representative Ward rose to respond, stating:

"Mr. Speaker, in opposition, but in favor of the Speaker's comments. Speaker called us to be statesman. He called us to call on the long view, to think way ahead, to be far-out thinkers, which we have to do as State Representatives. But, Mr. Speaker, what I fail to see though, is when we are using our funds for 100-year-old technology, I think we've got to think a little bit more out of the box.

"The point is, there are cities that have worse and more traffic than we have. Some of you have been in Singapore, some of you have been in Beijing, some of you have been in Manila. By the way, Hawaii Kai took an hour to get in for me today also. Those cities are looking at driverless cars. That's not steel on steel, that's technology on technology. Google has driven 700,000 miles without an accident. Singapore and China are looking for reducing pollution, reducing accidents, reducing congestion by using new technology.

"The point is, we must think forward, but we must think about what money we spend on what technology. So I would hope we would be open. If we're going to be funding this and we've got a lot of skin in the game as the State Legislature, that we'd be wise to those options.

"Now in regards to the rail to Hawaii Kai. I have a bridge in Manhattan that you might want to look at for sale, and you might want to purchase that, because it ain't going to happen and I'm not going to hold my breath for it. Thank you, Mr. Speaker."

At this time, Representative Tokioka called for the previous question.

The Chair then stated:

"In fairness, though, I need to be extremely objective to everyone, fair to everyone."

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

"Thank you, Mr. Speaker. In support with some reservations. I'll just be very brief. Mr. Speaker, thank you. On behalf of my district of Waipahu, which is right now experiencing some of the construction, and have been over the last year or so with the utility work, there are some financial concerns that I'd like to bring up on their behalf. So in that respect, Mr. Speaker, I think we talked quite a bit about this. But I'd like to encourage the City and HART to continuously explore other options to reduce the current shortfall, and also look seriously into, including with that, to seriously look at the cost cutting measures that we've talked about offline as well. I'd like to also request for the words of the former Transportation and former Finance Chair to be inserted into the Journal as my own. Thank you very much," and the Chair "so ordered." (By reference only.)

Representative McKelvey rose to respond, stating:

"Thank you, Mr. Speaker. I know, second time, I will be brief. Still in strong support. I would just like the second words of the speaker from Hanalei entered into the record as if they were my own. And just two brief afterthoughts.

"One is, no tax system is perfect. Every tax system has its regressivity. And the GET is regressive. But ponder this, traffic and what they're going through in West Oahu is far more regressive I can see than a General Excise Tax shared across the entire State of Hawaii.

"Number two, last time, as was spoken earlier, the County of Maui and the Mayor were opposed to this. Well guess what, they're in support of it now. Because this means we'll be able to get bus shelters, additional bus routes and things people are screaming for, because they have to wait in the rain for buses. This benefits everybody really, Mr. Speaker. So there is a win-win on all of this.

"And I guess all I can say going forward is, Mr. Speaker, I look forward to the day when I think this will be like the H-3. When it's all said and done and years have passed, people will go, how did we ever get along without this. Thank you very much."

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

Representative Cullen's written remarks are as follows:

"Mr. Speaker, I stand in support with reservations on HB 134, HD 1. I support the rail project and the recommendations made by the Finance Chair in making this 0.25%, starting 2017, making this current measure a tax reduction at this time. I have reservations with the blanked out section on the time line on when this tax extension would possibly end, because this is very regressive and could financially burden our residents and business owners of the State. Also, due to the rising cost of living in the State of Hawaii, the GET will especially impact low-income families. I also stand in reservations because there is no guarantee that the future work on rail will be done by specialized union labor, which would ensure a high level of safety.

"We as a state also have needs to be financed, such as our aging school facilities and new schools that need to be built to handle capacity in the Kapolei area. Mr. Speaker, this is very pertinent because in District 39 we have plans to build East Kapolei Middle School, but the cost being \$90 million has left it unfunded at this time because we just do not have the money.

"Mr. Speaker, I am also concerned about raising the GET for the purpose of increasing revenues for the counties, with limited confidence that they would take care of their transportation needs. This measure will also have a possible impact to the neighbor islands in the estimated range of \$65 million, as stated by the Department of Budget and Finance during the Finance hearing. Thank you."

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

Representative Tokioka's written remarks are as follows:

"Mr. Speaker, I am in support of this measure and request that the remarks of the Representative from Waialua be entered into the Journal as if they were my own, with the exception of the 'with reservations'. Thank you."

The motion was put to vote by the Chair and carried, H.B. No. 134, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Third Reading by a vote of 40 ayes to 11 noes, with Representatives Aquino, Belatti, Cachola, Cullen, DeCoite, Ichiyama, Jordan, Keohokalole, Matsumoto, Oshiro, Pouha, San Buenaventura and Yamane voting aye with reservations, and with Representatives Brower, Johanson, Kobayashi, Lee, Lowen, Nishimoto, Ohno, Thielen, Tupola, Ward and Yamashita voting no.

At 5:57 o'clock p.m., the Chair noted that the following bills passed Third Reading:

- H.B. No. 1352, HD 1
- H.B. No. 749
- H.B. No. 314, HD 1
- H.B. No. 1356
- H.B. No. 134, HD 1

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolutions (H.R. Nos. 38 through 41) and concurrent resolutions (H.C.R. Nos. 72 through 78) were referred to Printing and further action was deferred:

H.R. No. 38, entitled: "HOUSE RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A STATE-PROVINCE AFFILIATION BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF BOHOL OF THE REPUBLIC OF THE PHILIPPINES," was jointly offered by Representatives Mizuno, Aquino, Cachola, Cullen, LoPresti, Yamane, and San Buenaventura.

H.R. No. 39, entitled: "HOUSE RESOLUTION REQUESTING THE AHA MOKU ADVISORY COMMITTEE TO ENGAGE STAKEHOLDERS IN ORDER TO DEVELOP AND ADOPT RULES FOR ITS OPERATION AND ADMINISTRATION," was jointly offered by Representatives Ing, Keohokalole, Lee, Pouha, Evans, Morikawa, Say and Tupola.

H.R. No. 40, entitled: "HOUSE RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT ON THE DEPARTMENT OF PUBLIC SAFETY'S CONTRACTING FOR PRISON BEDS AND SERVICES," was offered by Representative Ing.

H.R. No. 41, entitled: "HOUSE RESOLUTION EXPRESSING ALOHA AND SOLIDARITY WITH THE PEOPLE OF FRANCE," was jointly offered by Representatives Ward, Belatti, Brower, Cachola, Fukumoto Chang, Kawakami, Kong, McKelvey, Morikawa, Nishimoto, Onishi, Oshiro, Pouha, Say, Thielen, Tokioka, Takumi and Tsuji.

H.C.R. No. 72, entitled: "HOUSE CONCURRENT RESOLUTION APPROVING AND AUTHORIZING THE ESTABLISHMENT OF A STATE-PROVINCE AFFILIATION BETWEEN THE STATE OF HAWAII OF THE UNITED STATES OF AMERICA AND THE PROVINCE OF BOHOL OF THE REPUBLIC OF THE PHILIPPINES," was jointly offered by Representatives Mizuno, Aquino, Cachola, LoPresti, Yamane, Cullen, and San Buenaventura.

H.C.R. No. 73, entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE ISSUANCE OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT LAHAINA, MAUI FOR SEAWALL ENCROACHMENT PURPOSES," was offered by Representative McKelvey.

H.C.R. No. 74, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AHA MOKU ADVISORY COMMITTEE TO ENGAGE STAKEHOLDERS IN ORDER TO DEVELOP AND ADOPT RULES FOR ITS OPERATION AND ADMINISTRATION," was jointly offered by Representatives Ing, Keohokalole, Lee, Pouha, Evans, Morikawa, Say and Tupola.

H.C.R. No. 75, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP AUDIT ON THE DEPARTMENT OF PUBLIC SAFETY'S CONTRACTING FOR PRISON BEDS AND SERVICES," was offered by Representative Ing.

H.C.R. No. 76, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A FINANCIAL AND MANAGEMENT AUDIT OF THE HAWAII INVASIVE SPECIES COUNCIL," was jointly offered by Representatives Onishi, Choy, DeCoite, Ito, Kong, Tokioka, Tsuji and Woodson.

H.C.R. No. 77, entitled: "HOUSE CONCURRENT RESOLUTION EXPRESSING ALOHA AND SOLIDARITY WITH THE PEOPLE OF FRANCE," was jointly offered by Representatives Ward, Belatti, Brower, Cachola, Fukumoto Chang, Kawakami, Kong, McKelvey, Morikawa, Nishimoto, Onishi, Oshiro, Pouha, Say, Thielen, Tokioka, Takumi and Tsuji.

H.C.R. No. 78, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR AND DEPARTMENT OF TRANSPORTATION TO INCLUDE IN THE 2017-2018 SUPPLEMENTAL CAPITAL IMPROVEMENT PROGRAM REQUEST IMPROVEMENTS TO CRUISE SHIP PASSENGER TERMINALS AT NAWILIWILI HARBOR IN KAUAI, HONOLULU HARBOR IN OAHU, KAHULUI HARBOR IN MAUI, AND HILO HARBOR IN HAWAII," was jointly offered by Representatives Tsuji, Aquino, Brower, Nakashima, Onishi, Tokioka, Woodson, Yamashita and DeCoite.

LATE INTRODUCTIONS

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

Representative Har introduced from the City and County of Honolulu: Mayor Kirk Caldwell; Mr. Roy Amemiya, Managing Director; Ms. Melissa Miranda-Johnson, Administrative Assistant; Mr. Jesse Van Dyke, Communications Director; and Mr. Ray Soon, Chief of Staff.

Representative Brower introduced his constituent, Mr. Dave Moskowitz.

Representative Ing introduced Mr. Tyler Dos Santos-Tam, Executive Director, Hawaii Construction Alliance.

ANNOUNCEMENTS

COMMITTEE ASSIGNMENTS

<u>H.R. Nos.</u>	<u>Referred to:</u>
35	Committee on Agriculture, then to the Committee on Finance
36	Committee on Labor & Public Employment, then to the Committee on Finance
37	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Finance

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

- 68 Committee on Ocean, Marine Resources, & Hawaiian Affairs,
then to the Committee on Finance
- 69 Committee on Labor & Public Employment, then to the
Committee on Finance
- 70 Committee on Education, then to the Committee on Finance
- 71 Committee on Veterans, Military, & International Affairs, &
Culture and the Arts, then to the Committee on Finance

ADJOURNMENT

At 6:00 o'clock p.m., on motion by Representative Evans, seconded by Representative Tupola and carried, the House of Representatives adjourned until 12:00 o'clock noon, Thursday, March 12, 2015.

HOUSE COMMUNICATIONS

"March 10, 2015

Governor David Ige
State of Hawaii
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

Dear Governor Ige:

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

H.B. No. 1185, H.D. 1, entitled:

"PROPOSING AN AMENDMENT TO ARTICLE VII, SECTION 13,
OF THE HAWAII CONSTITUTION, TO AMEND THE TIMING OF
MATURATION FOR GENERAL OBLIGATION BONDS."

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

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

Enclosures

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