

Conf. Com. Rep. 1 on H.B. No. 952

The purpose of this measure is to facilitate investigations of public contractor violations of wage and hour requirements by:

- (1) Requiring that the name of the complainant be withheld from the employer unless prior permission to release the name is given by the complainant;
- (2) Providing for a three year time limit from the time that wages or overtime compensation were due to initiate a claim; and
- (3) Limiting the scope of the investigation to the three year period preceding the filing of the claim.

Your Committee on Conference amended this measure by removing the provisions that:

- (1) Provided for a three year time limit from the time that wages or overtime compensation were due to initiate a claim; and
- (2) Limited the scope of the investigation to the three year period preceding the filing of the claim.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 952, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 952, H.D. 2, S.D. 1, C.D. 1.

Representatives Nakashima, Rhoads, Johanson and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 2 on H.B. No. 287

The purpose of this measure is to broaden the exception from public disclosure for government records under the Uniform Information Practices Act to include records whose disclosure would create a substantial and demonstrable risk of physical harm to an individual.

Your Committee on Conference has amended this measure to make it take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 287, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 287, H.D. 1, S.D. 1, C.D. 1.

Representatives Rhoads, Takayama and McDermott.
Managers on the part of the House.

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 3 on S.B. No. 1049

The purpose of this measure is to:

- (1) Prohibit the Department of Health from approving an electronic device manufacturer's recycling plan if the plan provides an electronic device owner with only a mail-back option from returning a covered electronic device to the electronic manufacturer for recycling; and
- (2) Authorize the approval of the recycling plan of an electronic device manufacturer of exclusively mobile covered electronic devices whose products are voluntarily accepted at no charge by at least fifty retail locations in the State if the plan documents these locations.

Your Committee on Conference finds that electronic waste is one of the fastest growing waste streams in the State. As technology advances and more electronic products are produced and consumed by the public, the generation of electronic waste is expected to increase. Providing only a mail-back option to return a covered electronic device to the electronic manufacturer for recycling is prohibitively expensive and time consuming for consumers and businesses. Implementation of this measure will increase electronic waste recycling and further the State's goal of waste reduction.

Your Committee on Conference has amended this measure by inserting an effective date of January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1049, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1049, S.D. 1, H.D. 1, C.D. 1.

Representatives Lee, Lowen, Yamane and Thielen.
Managers on the part of the House.
(Representative Yamane was excused.)

Senators Gabbard, Green, Galuteria, Ihara and Wakai.
Managers on the part of the Senate.
(Senator Galuteria was excused.)

Conf. Com. Rep. 4 on S.B. No. 878

The purpose of this measure is to:

- (1) Authorize the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems; and
- (2) Define "composting toilet".

Your Committee on Conference finds that the existing flush and septic systems in certain areas of the State are ill-suited due to geographic challenges and scarce water supplies. These areas present formidable engineering challenges including proximity to the ocean, hard volcanic rock, and groundwater just two feet below the surface. Composting toilets are a viable alternative in areas that are inaccessible to municipal water systems. Authorizing the counties to approve the installation and use of composting toilets will improve the health and welfare of the State.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 878, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 878, S.D. 1, H.D. 1, C.D. 1.

Representatives Lee, Lowen, Ing and Thielen.
Managers on the part of the House.

Senators Espero, Green, English, Riviere and Slom.
Managers on the part of the Senate.
(Senator English was excused.)

Conf. Com. Rep. 5 on S.B. No. 419

The purpose of this measure is to allow neighborhood board members to attend meetings or presentations located on Oahu without violating the Sunshine Law, under certain conditions.

Your Committee on Conference finds that there have been widespread complaints regarding the inability of neighborhood board members to attend informational events due to the Sunshine Law. Under section 92-82, Hawaii Revised Statutes, if at least a number that constitutes a quorum of neighborhood board members attends any meetings or presentations open to the public, those members in attendance may be in violation of the Sunshine Law. Implementation of this measure will allow neighborhood board members to attend meetings or presentations without violating the Sunshine Law, under certain conditions, and increase communication between neighborhood board members and constituents.

Your Committee on Conference has amended this measure by removing language that:

- (1) Restricts neighborhood board members who attend meetings or presentations pursuant to this measure from further discussing any board business; and
- (2) Requires neighborhood board members to report their attendance and the matters presented that related to official board business at the meeting or presentation at the next duly noticed meeting of the neighborhood board.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 419, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 419, S.D. 2, H.D. 1, C.D. 1.

Representatives Rhoads, Brower and Thielen.
Managers on the part of the House.

Senators Espero, Keith-Agaran, Ihara, L. Thielen and Slom.
Managers on the part of the Senate.
(Senators L. Thielen and Slom were excused.)

Conf. Com. Rep. 6 on S.B. No. 1096

The purpose of this measure is to ensure that electric utilities serving as billing and collection agents in a purely pass-through capacity for any on-bill financing or repayment program are exempt from certain state or county taxes and state laws regulating financial institutions, escrow depositories, and collection agencies.

Your Committee on Conference finds that electric utilities serving as billing and collection agents for an on-bill program serve in a pass-through capacity for any and all monies collected and remitted while participating in the on-bill program. Accordingly, electric utilities who serve as billing and collection agents and function in a pass-through capacity are not raising revenue from monies collected and remitted while participating in an on-bill program. Your Committee on Conference further finds that levying of revenue-related taxes or imposing other financial regulations on an electric utility participating in a pass-through capacity in an on-bill program would create additional costs for the utility, which could be passed on to ratepayers. This measure eliminates these additional costs but does not impact other fees or taxes imposed on other amounts received in the normal course of operations by an electric utility.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1096, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1096, S.D. 1, H.D. 2, C.D. 1.

Representatives Lee, Woodson, Lowen, Evans and Thielen.
Managers on the part of the House.
(Representative Evans was excused.)

Senators Baker, Harimoto and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 7 on H.B. No. 858

The purpose of this measure is to:

- (1) Permit the early termination of residential rental agreements in cases of domestic violence; and
- (2) Specify additional procedures under the residential landlord-tenant code for instances of domestic violence.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to November 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 858, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 858, H.D. 2, S.D. 2, C.D. 1.

Representatives McKelvey, Rhoads, Har, San Buenaventura and McDermott.
Managers on the part of the House.
(Representatives Har and McDermott were excused.)

Senators Baker, Keith-Agaran, Shimabukuro, L. Thielen and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 8 on H.B. No. 1075

The purpose of this measure is to ensure that the people of the State have continued access to health care services in areas served by regional systems of the Hawaii Health Systems Corporation (HHSC). Specifically, this measure authorizes HHSC's Maui Regional System to negotiate an agreement with a private entity to transfer the exclusive right to conduct ongoing business at one or more of its facilities, including Maui Memorial Medical Center, Kula Hospital and Clinic, and Lanai Community Hospital, to a nonprofit management entity that is wholly-owned by a private entity.

Your Committee on Conference has amended this measure to delineate the process whereby the Maui Regional System would enter into a public-private partnership with one or more private entities, or their nonprofit management entities, to transfer the right and responsibility to manage, operate, and provide health care services in Maui Regional System facilities. In addition, this measure takes steps to protect employees affected by the transfer. Among other things, this measure:

- (1) Clarifies that a private entity involved in such a transfer must be authorized to transact business in the State and must:
 - (A) Have a Certificate of Need from the State Health Planning Development Agency to operate one or more licensed hospitals in the State; or
 - (B) Be the sole member of a nonprofit management entity that has obtained a Certificate of Need from the State Health Planning Development Agency to operate one or more licensed hospitals in the State;
- (2) Amends the negotiation process for the transition of the Maui Regional System, including a requirement for the submission of statements of interest by an interested private entity or its nonprofit management entity and the changing of the parties required for the negotiation;
- (3) Establishes new standards and timelines for the State's ongoing oversight and control over the management and operation of the Maui Regional System as it is transferred to a new private entity or its nonprofit management entity;
- (4) Establishes provisions for the protection of employees currently employed by a transferred facility, including minimum employment requirements, the preservation of earned benefits, and collective bargaining agreement planning aimed at tempering the adverse effects of potential layoffs;
- (5) Requires that the Governor report to the Legislature on the progress of the transfer of facilities;
- (6) Changes its effective date to take effect upon its approval; provided that the amendment made to section 89-8.5, Hawaii Revised Statutes, shall be repealed one year after the transfer completion date specified in an agreement negotiated and entered into under chapter 323F, part , Hawaii Revised Statutes, and section 89-8.5, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day prior to the effective date of this Act; and

- (7) Makes technical, nonsubstantive amendments, as well as conforming amendments throughout, for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1075, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1075, H.D. 2, S.D. 2, C.D. 1.

Representatives Belatti, Nakashima, Luke, Yamashita and Thielen.
Managers on the part of the House.

Senators Green, Baker, Keith-Agaran, Tokuda and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 9 on H.B. No. 119

The purpose of this measure is to encourage and assist individuals and families to save private funds to support individuals with disabilities by:

- (1) Requiring the Director of Finance to establish the Hawaii ABLE Savings Program (Program) to provide for individual, private savings accounts to support individuals with disabilities; and
- (2) Establishing the Hawaii ABLE Savings Program Trust Fund to support the Program.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 119, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 119, H.D. 2, S.D. 1, C.D. 1.

Representatives Belatti, Kobayashi, Morikawa and Fukumoto Chang.
Managers on the part of the House.

Senators Chun Oakland, Riviere, Dela Cruz, Green and Slom.
Managers on the part of the Senate.
(Senator Dela Cruz was excused.)

Conf. Com. Rep. 10 on H.B. No. 1090

The purpose of this measure is to stimulate economic development in Hawaii's technology business sector by:

- (1) Prohibiting the use of noncompete and nonsolicit clauses in any employment contract, post-employment contract, or separation agreement for an employee of a technology business; and
- (2) Stipulating that if an employment contract contains a noncompete or nonsolicit clause relating to an employee of a technology business, the clause shall be void and of no force and effect.

Employment restrictive covenants such as non-compete or non-solicit clauses are often contained in employment-related contracts, particularly in the technology sector. These restrictive covenants effectively prevent an individual from working at an organization with which a former employer competes or does business. Your Committee on Conference finds that these restrictive covenants impede the development of businesses within the State by limiting skilled workers' mobility within the State, forcing many of these workers to seek employment in other jurisdictions, and requiring local businesses to solicit skilled workers from outside of the State. Eliminating non-compete and non-solicit clauses for employees of the technology business sector will stimulate Hawaii's economy by preserving and providing jobs for employees in this sector and by providing opportunities for these employees to establish new companies and new job opportunities in the State.

However, your Committee on Conference notes concerns raised about the broad application this measure may have and has amended this measure by narrowing the scope of the prohibition on non-compete and non-solicit clauses relating to an employee of a technology business to employment contracts only.

Technical, nonsubstantive amendments have also been made for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1090, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1090, H.D. 2, S.D. 2, C.D. 1.

Representatives Kawakami, McKelvey, Rhoads, Kong, Takayama and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Wakai, Baker, Keith-Agaran, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Keith-Agaran was excused.)

Conf. Com. Rep. 11 on H.B. No. 623

The purpose of this measure is to further reduce Hawaii's dependence on imported fossil fuels and promote the growth of the State's renewable energy industry by:

- (1) Increasing renewable portfolio standards for electric utilities to 30 percent by December 31, 2020; 70 percent by December 31, 2040; and 100 percent by December 31, 2050;
- (2) Providing as an event or circumstance that is outside an electric utility company's reasonable control, the inability to acquire sufficient renewable electrical energy to meet the 2040 and 2050 renewable portfolio standard goals in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources; and
- (3) Requiring the Public Utilities Commission to include the impact of renewable portfolio standards, if any, on the energy prices offered by renewable energy developers and the cost of fossil fuel volatility in its renewable portfolio standards study and report to the Legislature.

Your Committee on Conference has amended the measure by:

- (1) Adjusting the renewable portfolio standards for electric utilities to 100 percent by December 31, 2045; and
- (2) Providing as an event or circumstance that is outside an electric utility company's reasonable control, the inability to acquire sufficient renewable electrical energy to meet the renewable portfolio standard goals beyond 2030 in a manner that is beneficial to Hawaii's economy in relation to comparable fossil fuel resources.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 623, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 623, H.D. 2, S.D. 2, C.D. 1.

Representatives Lee, Nishimoto, Lowen and Thielen.
Managers on the part of the House.

Senators Gabbard, Baker, Galuteria, Ihara and Tokuda.
Managers on the part of the Senate.
(Senator Tokuda was excused.)

Conf. Com. Rep. 12 on S.B. No. 17

The purpose of this measure is to clarify that the required disclosure of documents relating to restrictions or conditions, including unrecorded rules or guidelines, by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions within a seller's actual or constructive knowledge or control and all documents subject to disclosure under section 514B-154.5, Hawaii Revised Statutes.

Your Committee on Conference finds that chapter 508D, Hawaii Revised Statutes, was amended in 2013 to, among other things, establish a uniform standard of disclosure for consumers and real estate licensees involved in planned community association, condominium project, and cooperative housing corporation transactions. Your Committee on Conference further finds that this measure is intended to clarify the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the required disclosure of documents by a seller for residential real property that is subject to restrictions or conditions on use applies to documents relating to restrictions or conditions in a manner consistent with and subject to the seller's duty of good faith as provided for under section 508D-9, Hawaii Revised Statutes; and
- (2) Updating the purpose section.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 17, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 17, H.D. 2, C.D. 1.

Representatives McKelvey, Rhoads, Woodson and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Baker, Taniguchi and Slom.
Managers on the part of the Senate.
(Senator Taniguchi was excused.)

Conf. Com. Rep. 13 on S.B. No. 1094

The purpose of this measure is to make various updates to title 24, Hawaii Revised Statutes, relating to insurance, including:

- (1) Making fees consistent for applications and services provided by the Insurance Division of the Department of Commerce and Consumer Affairs to certain groups and insurers;

- (2) Enabling the Insurance Division to recover certain administrative costs associated with the applications process and services provided by the Division;
- (3) Prohibiting rerating of rates approved by the Insurance Commissioner;
- (4) Permitting the suspension, revocation, or denial of a mutual benefit society's certificate of authority under certain conditions; and
- (5) Making other housekeeping and conforming amendments.

Your Committee on Conference finds that this measure makes fees under title 24, Hawaii Revised Statutes, consistent for applications and services provided by the Insurance Division of the Department of Commerce and Consumer Affairs to purchasing groups, foreign risk retention groups, insurers subject to chapter 431, Hawaii Revised Statutes, fraternal benefit societies, mutual benefit societies, health maintenance organizations, and dental insurers. This measure also enables the Insurance Division to recover certain administrative costs associated with the applications process and services provided by the Division. Your Committee on Conference further finds that this measure specifies that rerating of rates approved by the Insurance Commissioner is prohibited; permits the suspension, revocation, or denial of a mutual benefit society's certificate of authority under certain conditions; and makes other conforming or housekeeping amendments within title 24, Hawaii Revised Statutes, for clarity and consistency.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1094, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1094, S.D. 2, H.D. 1, C.D. 1.

Representatives McKelvey, Cachola, Oshiro, Woodson and Fukumoto Chang.
Managers on the part of the House.
(Representative Oshiro was excused.)

Senators Baker, Tokuda and Taniguchi.
Managers on the part of the Senate.

Conf. Com. Rep. 14 on S.B. No. 1177

The purpose of this measure is to address the Auditor's findings contained in Report No. 14-11, "Audit of the Hawaii State Foundation on Culture and the Arts," by appropriating funds to establish four full-time equivalent positions (4.0 FTE) with the Hawaii State Foundation on Culture and the Arts (Foundation).

Your Committee on Conference finds that the Foundation is responsible for a collection of nearly six thousand three hundred pieces of art and approximately \$3,000,000 per year in revenue from the works of art special fund. Your Committee on Conference further finds that a recent audit of the Foundation found it needs to improve its management to ensure the accountability, accessibility, and protection of these important assets and resources.

Your Committee on Conference notes that adequate staffing is critical to the performance of these duties and other strategic goals of the Foundation. Your Committee on Conference understands the challenge of promptly establishing additional staff positions to fulfill the necessary and crucial duties of an organization. The continuance of staff positions is also a critical factor in the successful operation of the Foundation, achievement of its goals, and the preservation of art as a central part of life for the people of Hawaii.

Your Committee on Conference has amended this measure by inserting an appropriation amount of \$113,663 for fiscal year 2015-2016 and \$227,325 for fiscal year 2016-2017 to establish four full-time equivalent positions (4.0 FTE) with the Foundation.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1177, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1177, S.D. 1, H.D. 1, C.D. 1.

Representatives Ito, Luke, Ohno and Ward.
Managers on the part of the House.

Senators Taniguchi, Inouye, English, Harimoto and Wakai.
Managers on the part of the Senate.

Conf. Com. Rep. 15 on S.B. No. 868

The purpose of this measure is to:

- (1) Authorize each county liquor commission to regulate dancing on licensed premises; and
- (2) Require each county liquor commission that regulates dancing to adopt or amend rules regarding dancing in premises licensed to sell liquor for consumption thereon and define the term "dancing", no later than October 1, 2015.

Your Committee on Conference finds that this measure will provide each county liquor commission with the authority to regulate dancing on licensed premises and require each county liquor commission that regulates dancing to adopt or amend rules regarding dancing in premises licensed to sell liquor. Implementation of this measure will enable county liquor commissions to provide patrons with an understanding of and guidelines regarding any implemented dancing regulations.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 868, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 868, S.D. 1, H.D. 2, C.D. 1.

Representatives Kawakami, McKelvey, Yamashita, Kobayashi and Ward.
Managers on the part of the House.
(Representative Kobayashi was excused.)

Senators Espero, Baker, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 16 on H.B. No. 261

The purpose of this measure is to:

- (1) Require health insurers, mutual benefit societies, and health maintenance organizations to post and update information on drug formularies via a public website and through a toll-free number; and
- (2) Establish a formulary accessibility working group to be appointed and administered by the Insurance Commissioner to make recommendations for a standard formulary template.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making a technical, nonsubstantive amendment for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 261, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 261, H.D. 2, S.D. 2, C.D. 1.

Representatives Belatti, McKelvey, Kobayashi, Hashem and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Baker, Kouchi, Ruderman and Slom.
Managers on the part of the Senate.
(Senators Ruderman and Slom were excused.)

Conf. Com. Rep. 17 on H.B. No. 538

The purpose of this bill is to assist victims of domestic violence by:

- (1) Requiring all wireless telecommunications service providers to release victims of documented domestic violence from shared wireless plans involving their abuser, upon written request with evidence of domestic violence as documented by a valid police report; and
- (2) Authorizing the family court to issue an order requiring wireless telecommunications service providers to:
 - (A) Transfer the billing authority and all rights to the wireless numbers of a shared wireless plan to a petitioner, provided that the petitioner is not the account holder; or
 - (B) Remove or release a petitioner from a shared wireless plan and assign a substitute telephone number or numbers.

Your Committee on Conference has amended this bill by:

- (1) Permitting the use of an order for protection granted pursuant to chapter 586, Hawaii Revised Statutes, or a signed affidavit from a licensed medical or mental health care provider, employee of a court acting within the scope of their employment, or social worker as documentary evidence of domestic violence; and
- (2) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 538, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 538, H.D. 2, S.D. 2, C.D. 1.

Representatives Morikawa, McKelvey, Rhoads, San Buenaventura and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Baker, Keith-Agaran, Shimabukuro, L. Thielen and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 18 on S.B. No. 464

The purpose of this measure is to require:

- (1) Clear and conspicuous disclosure of a continuous service clause for a product or service and the procedure for cancellation;
- (2) Persons charging a consumer's credit or debit card or account for an automatic renewal or a continuous service to obtain affirmative consent from the affected consumer and an acknowledgment regarding terms, cancellation policy, and the cancellation procedure;
- (3) Free trial offers to clearly and conspicuously disclose the right of the consumer to cancel before payment is made and the cancellation procedure; and
- (4) Clear and conspicuous notice of any material change to the terms of an automatic renewal or continuous service offer.

Your Committee on Conference finds that automatic renewal and continuous service offers may be problematic for consumers if there is inadequate disclosure of material terms, informed consent is not obtained prior to billing or charging a consumer for goods or services, or an effective method of cancellation is not provided. Your Committee on Conference further finds that clear disclosure of all terms and conditions in a consumer contract and affirmative consent on behalf of a consumer, prior to being charged for automatic renewal or continuous service offers, are important aspects of consumer protection. Accordingly, this measure enhances the regulation of automatic renewal and continuous service clauses and ensures adequate safeguards for Hawaii consumers subject to these clauses.

Your Committee on Conference has amended this measure by:

- (1) Specifying that a person making automatic renewal or continuous service offers pursuant to a consumer contract must include certain information for the consumer;
- (2) In the case of a material change in the terms of the automatic renewal or continuous service offer, requiring clear and conspicuous notice of the material change and information on how to cancel in a manner that can be retained by the consumer prior to the implementation of the material change;
- (3) Amending the exempt entities to include a telecommunications provider subject to chapter 269, Hawaii Revised Statutes, and a cable operator subject to chapter 440G or 440J, Hawaii Revised Statutes;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 464, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 464, S.D. 1, H.D. 2, C.D. 1.

Representatives McKelvey, Rhoads, Brower and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Baker, Taniguchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 19 on S.B. No. 1316

The purpose of this measure is to:

- (1) Establish a working group to examine the issues regarding requests to the board of directors of an association of apartment owners, condominium association, cooperative housing corporation, or planned community association for the installation of electric vehicle charging systems; and
- (2) Require the working group, with the assistance of the Legislative Reference Bureau, to report its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee on Conference finds that electric vehicles reduce fossil fuel consumption and are gradually becoming more popular in the State. As the demand for electric vehicles grows, so does the demand for electric vehicle charging systems. Examining the issues regarding resident requests for the installation of electric vehicle charging systems will increase the likelihood of residents having the ability to choose more efficient transportation solutions in the future and further the State's clean energy goals.

Your Committee on Conference has amended this measure by:

- (1) Modifying the composition of the working group by adding a representative from the Building Industry Association of Hawaii, a representative from Hawaiian Electric Company, and two representatives from Hawaii EV Partnership and deleting two representatives from EV Structure;
- (2) Clarifying that the Legislative Reference Bureau's role is to assist the working group with its final report and prepare any proposed legislation; and
- (3) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1316, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1316, S.D. 2, H.D. 2, C.D. 1.

Representatives Lee, McKelvey, Lowen and Thielen.
Managers on the part of the House.
(Representative Lowen was excused.)

Senators Gabbard, Baker and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 20 on S.B. No. 971

The purpose of this measure is to ensure that certain eligible rental housing projects will remain affordable for certain minimum periods in order to be certified for exemption from general excise taxes.

Your Committee on Conference finds that encouraging private sector investment and construction of rental housing for Hawaii's families is critical. By setting minimum affordability terms for rental housing projects, this measure will ensure that any improvements to a rental housing project that is exempt from the general excise tax will accrue to the benefit of lower income households for a period commensurate with the extent of the improvements.

Your Committee on Conference has amended this measure by:

- (1) Specifying that this measure shall apply to projects with an initial certification date after June 30, 2015; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 971, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 971, S.D. 1, H.D. 1, C.D. 1.

Representatives Hashem, Kobayashi, Jordan and Fukumoto Chang.
Managers on the part of the House.
(Representative Jordan was excused.)

Senators Chun Oakland, Riviere, Green, Ruderman and Slom.
Managers on the part of the Senate.
(Senator Ruderman was excused.)

Conf. Com. Rep. 21 on S.B. No. 521

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds in an amount up to \$45,000,000 to Waimea Nui Community Development Corporation, a private not-for-profit corporation, for the planning, acquisition, and construction of agriculture, renewable energy, and educational facilities.

Your Committee on Conference finds that the Waimea Nui Community Development Corporation is a Native Hawaiian non-profit organization operating in the South Kohala district of the Island of Hawaii and has developed a comprehensive agriculture and renewable energy enterprise, open to the entire Kohala region, that directly contributes to the State's economy and security through local food and energy production. Therefore, your Committee on Conference finds that the issuance of special purpose revenue bonds to the Waimea Nui Community Development Corporation is in the public interest and for the public health, safety, and general welfare.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 521, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 521, S.D. 1, H.D. 1, C.D. 1.

Representatives Tsuji, Yamane, Cullen, Evans and Pouha.
Managers on the part of the House.

Senators Ruderman, Inouye and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 22 on H.B. No. 87

The purpose of this measure is to:

- (1) Require independent civil process servers to provide additional documentation of relevant training, general excise tax license, and bond or errors and omissions insurance to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Shield process servers performing their duties from prosecution under criminal trespass statutes when they enter premises that are not secured by a fence or a locked gate; and

- (3) Make permanent Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process.

Your Committee on Conference has amended this measure to:

- (1) Delete the documentation of relevant training and bond or errors and omissions insurance from the requirements to be placed on the Director of Public Safety's list of qualified civil process servers;
- (2) Extend the effective date of Act 116, Session Laws of Hawaii 2013, relating to persons authorized to serve legal process, to June 30, 2020; and
- (3) Make technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 87, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 87, S.D. 2, C.D. 1.

Representatives Rhoads, Brower, San Buenaventura and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Espero, Keith-Agaran and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 23 on H.B. No. 179

The purpose of this measure is to specify that the forwarding address for absentee ballots to be permanently mailed shall be the mailing address in the county that is contained in the voter's registration. A voter seeking to have permanent absentee ballots forwarded to another address shall reapply for an absentee ballot.

Your Committee on Conference has amended this measure to remove the clarifying provision that the forwarding mailing address is required to be in the county that is contained in the voter's registration. Instead, the forwarding mailing address shall be the voter's in-state mailing address.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 179, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 179, H.D. 1, S.D. 1, C.D. 1.

Representatives Rhoads, Brower, San Buenaventura and McDermott.
Managers on the part of the House.
(Representative was excused.)

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 24 on S.B. No. 508

The purpose of this measure is to require noncandidate committee preliminary reports to be filed on October 1 of a general election year in addition to filing ten calendar days prior to a general, primary, special, or nonpartisan election.

Your Committee on Conference finds that existing law requires noncandidate committees to file preliminary reports ten days prior to the general election. However, with the increased use of absentee voting, including mail-in absentee ballots that are cast well before the ten day filing deadline, voters do not have access to the amount of money noncandidate committees spend on ballot initiatives or opposing or supporting candidates. This measure requires an additional, earlier filing deadline for preliminary reports that disclose noncandidate committee expenditures to allow voters to "follow the money" regarding candidates and issues on the ballot.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 508, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 508, S.D. 1, H.D. 2, C.D. 1.

Representatives Rhoads, DeCoite, Tokioka and McDermott.
Managers on the part of the House.
(Representative Tokioka was excused.)

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 25 on S.B. No. 569

The purpose of this measure is to amend the offense of theft in the second degree to:

- (1) Increase the threshold value of property or services from \$300 to \$750; and
- (2) Require a two percent annual increase of the threshold value of property or services, rounded up to the nearest dollar, beginning on January 1, 2017, and increasing on January 1 of each year thereafter.

Your Committee on Conference finds that the last time the threshold value of property or services under the offense of theft in the second degree increased was in 1986. Prices of consumer items have substantially increased since 1986. This measure updates the threshold value of property or services under the offense of theft in the second degree to better reflect the rise in prices of consumer items.

Your Committee on Conference has amended this measure by deleting language that requires a two percent annual increase of the threshold value of property or services beginning on January 1, 2017, and on January 1 of each year thereafter.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 569, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 569, S.D. 1, H.D. 1, C.D. 1.

Representatives Rhoads, San Buenaventura and Takayama.
Managers on the part of the House.

Senators Keith-Agaran, Espero, Ihara, Shimabukuro and L. Thielen.
Managers on the part of the Senate.

Conf. Com. Rep. 26 on H.B. No. 888

The purpose of this measure is to make it a petty misdemeanor for an intoxicated person to recklessly possess and discharge a loaded firearm in a public place. The person who appears to be intoxicated shall be subject to a breath or blood test by a law enforcement officer.

Your Committee on Conference has amended this measure by:

- (1) Deleting discharge of the firearm in a public place as required elements of the offense;
- (2) Removing the provision that a person who appears to be intoxicated shall be subject to a breath or blood test by a law enforcement officer;
- (3) Establishing objective standards by which a person is considered intoxicated; and
- (4) Making this measure take effect on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 888, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 888, H.D. 1, S.D. 1, C.D. 1.

Representatives Rhoads, Takayama and Tupola.
Managers on the part of the House.

Senators Espero, Keith-Agaran, Galuteria, Ihara and L. Thielen.
Managers on the part of the Senate.
(Senator Ihara was excused.)

Conf. Com. Rep. 27 on S.B. No. 717

The purpose of this measure is to:

- (1) Increase the membership of the Petroleum Advisory Council to include a representative of the biofuel industry and a representative of the biotechnology industry;
- (2) Require the Petroleum Advisory Council to study the impacts Hawaii's ethanol requirement has had on the State and the effects of repealing this requirement; and
- (3) Require the Petroleum Advisory Council to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016.

Your Committee on Conference finds that since 2006, Hawaii has required that gasoline sold in the State include ten percent ethanol. However, despite dozens of biomass, biodiesel, and ethanol facilities that have been proposed for Hawaii, no ethanol plants currently exist in the State. The requirement of blending ethanol into Hawaii's gasoline does not produce any economic benefit for the State, and the import of ethanol creates an economic burden for state residents. The repeal of the ethanol gasoline requirement will ensure that any added costs associated with ethanol blending will not affect gasoline price and supply.

Your Committee on Conference has amended this measure by:

- (1) Reverting to the S.D. 1 version, which repeals the requirement that gasoline sold in the State for use in motor vehicles include ten percent ethanol; and
- (2) Changing the effective date to December 31, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 717, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 717, S.D. 2, H.D. 1, C.D. 1.

Representatives Lee, Aquino, McKelvey, Nakashima and Thielen.
Managers on the part of the House.
(Representatives Aquino and Nakashima were excused.)

Senators Gabbard, Baker and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 28 on S.B. No. 831

The purpose of this measure is to align the requirements for establishing start-up and conversion charter schools, and to make housekeeping amendments to chapter 302D, Hawaii Revised Statutes.

Your Committee on Conference finds that certain amendments are necessary to make incremental but important improvements to chapter 302D, Hawaii Revised Statutes, relating to public charter schools. This measure strengthens Hawaii's public charter school system by making necessary housekeeping amendments and addressing concerns regarding enrollment preferences for educationally disadvantaged students and students enrolled in charter schools that are slated for closure.

Your Committee on Conference has amended this measure by:

- (1) Making discretionary, rather than mandatory, public charter school enrollment or waitlist priority for students enrolled in a public charter school who have received notice that their school is closing or facing charter revocation;
- (2) Deleting a provision that would have required the Department of Education to submit a notice of possible availability of a department school or notice of vacancy of a department school to the Board of Education regardless of whether the Department of Education has elected to use the department school to support education programs;
- (3) Making this measure effective upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 831, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 831, S.D. 2, H.D. 1, C.D. 1.

Representatives Takumi, DeCoite, Kong, Ohno and Matsumoto.
Managers on the part of the House.

Senators Kidani, Harimoto, Dela Cruz, Riviere and Slom.
Managers on the part of the Senate.
(Senators Riviere and Slom were excused.)

Conf. Com. Rep. 29 on S.B. No. 871

The purpose of this measure is to:

- (1) Authorize the Director of Transportation (Director) to grant reciprocal licensing privileges to an adult driver who holds a license from another jurisdiction under certain conditions;
- (2) Require the Director to publish on the Department of Transportation's public website a list of the countries for which reciprocal operating privileges have been extended and those that have been withdrawn;
- (3) Authorize the Director to require an applicant for reciprocal licensing privileges to provide translation of the license and documents from the other jurisdiction if those documents are in languages other than Hawaiian or English;
- (4) Make conforming amendments to reflect reciprocal licensing privileges for other jurisdictions;
- (5) Allow for the waiver of actual demonstration of ability to operate a motor vehicle for a person with reciprocal licensing privileges; and
- (6) Repeal the Driver's License Reciprocity Committee.

Your Committee on Conference finds that the ability to drive adds to a person's quality of life and facilitates earning a livelihood in Hawaii and in many other countries. This measure furthers the ability to drive by providing driver's license reciprocity with other countries under specified conditions.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that reciprocal licensing privileges may be granted by the Director to a person who holds a license from another country or state; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 871, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 871, S.D. 1, H.D. 3, C.D. 1.

Representatives Aquino, Tokioka, Rhoads, San Buenaventura and Tupola.
Managers on the part of the House.

Senators Keith-Agaran, English, Ihara, Shimabukuro and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 30 on S.B. No. 223

The purpose of this measure is to:

- (1) Add "emergency guardian" and substitute "temporary guardian" with "temporary substitute guardian" under the types of guardian the public guardian is authorized to serve as;
- (2) Prohibit the Office of the Public Guardian from petitioning for its own appointment as guardian of the person for an incapacitated person; and
- (3) Authorize the court to allow the Office of the Public Guardian to manage a ward's financial assets where no conservatorship is in effect, provided that if a conservatorship comes into effect for the ward, the public guardian's financial powers related to the ward shall be terminated.

Your Committee on Conference finds that for the past ten years, the Office of the Public Guardian has declined to petition the court for its own appointment due to the potential for conflicts of interest. This measure codifies this practice by prohibiting the Office of the Public Guardian from petitioning for its own appointment while allowing private and public entities and the Department of Human Services to petition for the Office of the Public Guardian's appointment as guardian pursuant to section 560:5-304, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by clarifying that if a conservatorship comes into effect for the ward, the public guardian shall not have or exercise any financial powers that have been granted to the conservator for the duration of the conservatorship rather than terminating the public guardian's financial powers related to the ward.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 223, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 223, S.D. 1, H.D. 1, C.D. 1.

Representatives Rhoads, Brower and Thielen.
Managers on the part of the House.
(Representative Thielen was excused.)

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 31 on S.B. No. 756

The purpose of this measure is to:

- (1) Establish a mortgage license exemption for a seller of real property who offers or negotiates terms of a residential mortgage loan, agreement of sale, purchase money mortgage, rent-to-own agreement, or other loan that is secured by the seller's own real property and for which the seller is the mortgagee or lender and the buyer is the mortgagor or borrower; and
- (2) Specify the qualifications that must be met for a seller-financed license exemption, including specific interest rate, repayment schedule, and disclosure requirements and requiring the use of judicial or non-judicial foreclosure proceedings in the event of a default.

Your Committee on Conference finds that owner financing is a useful tool in the credit market, as it expands the pool of potential buyers for owners and gives buyers an opportunity to make a purchase that may otherwise have been out of reach, particularly if the buyers are unable to qualify for a traditional mortgage loan. Seller financing can also assist in intra-family transactions and transfers of property. Accordingly, this measure is intended to establish a mortgage license exemption for a seller to engage in seller financing, if certain conditions are met.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the mortgage license exemption proposed by this measure is for a seller of real property who offers or negotiates terms of a residential mortgage loan that is financed by the seller and secured by the seller's own real property;
- (2) Clarifying the eligibility criteria for sellers to qualify for the exemption, including removing criteria related to reasonable ability to repay, certain fixed or adjustable interest rates, repayment schedules, the use of judicial or non-judicial foreclosure proceedings, and the ability of the director to act on behalf of a buyer for enforcement purposes;
- (3) Clarifying the terms of the financing that the seller must disclose to the buyer;
- (4) Requiring the seller to provide the buyer with a disclaimer, to be initialed by the buyer, regarding the terms of the financing;

- (5) Updating the purpose section;
- (6) Inserting an effective date of upon approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 756, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 756, S.D. 1, H.D. 2, C.D. 1.

Representatives McKelvey, Woodson, Rhoads, Yamane and McDermott.
Managers on the part of the House.
(Representatives Yamane and McDermott were excused.)

Senators Baker, Taniguchi and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 32 on H.B. No. 436

The purpose of this measure is to promote highway safety by requiring approaching vehicles to slow and change lanes when nearing Sheriff Division vehicles, Hawaii Emergency Management Agency vehicles, Civil Defense vehicles, Department of Transportation Harbors Division vehicles, Department of Land and Natural Resources Division of Conservation and Resources Enforcement vehicles, and county emergency management vehicles that are stopped for official duties, by amending the definition of "emergency vehicle" in the statewide traffic code to include these vehicles.

Public safety and emergency personnel are responsible for the protection and safety of the general public. These individuals often find themselves being placed in harm's way, especially when involved with incidents on the roadway. Your Committee on Conference finds that this measure is necessary to increase the safety of these personnel when they are stopped on a roadway conducting official business.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date from January 7, 2059, to upon its approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 436, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 436, H.D. 1, S.D. 2, C.D. 1.

Representatives Aquino, Takayama, San Buenaventura, Har, LoPresti and Tupola.
Managers on the part of the House.
(Representatives Har and Tupola were excused.)

Senators Nishihara, Espero, Keith-Agaran, Dela Cruz and Slom.
Managers on the part of the Senate.
(Senators Keith-Agaran and Slom were excused.)

Conf. Com. Rep. 33 on H.B. No. 1273

The purpose of this measure is to achieve the State's goals of energy security, energy independence, and food security by permitting the development of hydroelectric facilities in agricultural districts with a productivity rating of class A or B; provided that the facility and its appurtenances:

- (1) Have a hydroelectric generating capacity of not more than 500 kilowatts;
- (2) Comply with the State Water Code;
- (3) Are accessory to agricultural activities on agricultural land for agricultural use only; and
- (4) Do not adversely impact the use of agricultural land or the availability of surface or ground water for uses on all parcels served thereby.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2015.

A technical, nonsubstantive amendment was also made for clarity, style, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1273, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1273, H.D. 2, S.D. 2, C.D. 1.

Representatives Tsuji, Lee, McKelvey, Woodson and Ward.
Managers on the part of the House.
(Representative McKelvey was excused.)

Senators Ruderman, Gabbard, Baker, L. Thielen and Slom.
Managers on the part of the Senate.
(Senator Gabbard was excused.)

Conf. Com. Rep. 34 on H.B. No. 391

The purpose of this measure is to amend Hawaii's prevailing wage law to ensure that laborers and mechanics working on public works projects receive fair wages. Specifically, this measure:

- (1) Allows overtime compensation to exceed time and one-half and specifies that if the Department of Labor and Industrial Relations determines that a prevailing wage is defined by collective bargaining, overtime will be at rates set by the applicable collective bargaining agreement; and
- (2) Specifies that overtime compensation and other premium pay rates are those rates specified by an applicable collective bargaining agreement when the basic hourly rate is established by a collective bargaining agreement.

Your Committee on Conference has amended this measure by:

- (1) Including a savings clause to preserve any rights and duties that have matured, penalties that were incurred, and proceedings that were begun before the effective date of this measure; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 391, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 391, H.D. 1, S.D. 1, C.D. 1.

Representatives Nakashima, Keohokalole, Aquino and McDermott.
Managers on the part of the House.
(Representative Aquino was excused.)

Senators Keith-Agaran, Tokuda, Gabbard, Ihara and Shimabukuro.
Managers on the part of the Senate.
(Senator Gabbard was excused.)

Conf. Com. Rep. 35 on H.B. No. 894

The purpose of this measure is to provide the Enhanced 911 Board (Board) the authority to employ staff.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the Board to additionally employ an executive director that shall be exempt from civil service and collective bargaining laws;
- (2) Changing the effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 894, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 894, H.D. 2, S.D. 1, C.D. 1.

Representatives Nakashima, McKelvey, Luke, Woodson and Tupola.
Managers on the part of the House.
(Representative McKelvey was excused.)

Senators Espero, Keith-Agaran, English, Inouye and Slom.
Managers on the part of the Senate.
(Senator was excused.)

Conf. Com. Rep. 36 on H.B. No. 1268

The purpose of this measure is to help facilitate eligible, injured public employees to return to work as soon as possible and in a cost-effective manner by requiring those public employees to participate in the public employer's return to work program to receive vocational rehabilitation services under the workers' compensation law.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1268, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1268, H.D. 2, S.D. 2, C.D. 1.

Representatives Nakashima, Keohokalole, San Buenaventura and McDermott.
Managers on the part of the House.

Senators Keith-Agaran, Inouye, Espero, Shimabukuro and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 37 on H.B. No. 707

The purpose of this measure is to repeal and abolish the following non-general funds and accounts:

- (1) Cancer Detection Development Revolving Fund;
- (2) Hawaii Criminal Justice Commission Trust Account;
- (3) Preservation of Endangered Plants Trust Account;
- (4) State DOD Physical Amelioration Donation Trust Fund; and
- (5) UH Wellness Center – Operating Account.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 707, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 707, S.D. 1, C.D. 1.

Representatives Jordan, Kobayashi and Pouha.
Managers on the part of the House.

Senators Tokuda, English, Harimoto, Inouye and Slom.
Managers on the part of the Senate.
(Senator English was excused.)

Conf. Com. Rep. 38 on H.B. No. 15

The purpose of this measure is to:

- (1) Clarify the composition of the Elections Commission;
- (2) Clarify that the Chairperson of the Elections Commission serves at-will and may be removed by a two-thirds vote of the commissioners;
- (3) Clarify the term limits of the members of the Elections Commission, including the Chairperson;
- (4) Provide a process for holdovers when the term of the Chairperson or a commission member expires and a selection has not been made; and
- (5) Create a statewide standard for the distribution of absentee ballots.

Your Committee on Conference has amended this measure to:

- (1) Delete the provisions which:
 - (A) Clarify the composition of the Elections Commission;
 - (B) Specify the at-will employment status and the process for the removal of the Chairperson;
 - (C) Clarify the term limits of the members of the Elections Commission; and
 - (D) Provide a process for holdovers;
- (2) Specify that the Chief Election Officer is an at-will employee; and
- (3) Require the Elections Commission to:
 - (A) Provide written notification of any removal of the Chief Election Officer, including a statement of the reason for removal;
 - (B) Conduct a performance evaluation of the Chief Election Officer within two months after the date a general election is certified; and
 - (C) Hold a public hearing on the performance of the Chief Election Officer and consider the information gathered at the hearing when deliberating the reappointment of the Chief Election Officer.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 15, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 15, H.D. 1, S.D. 1, C.D. 1.

Representatives Rhoads, Brower, San Buenaventura and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Gabbard, Ihara, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Gabbard and Slom were excused.)

Conf. Com. Rep. 39 on S.B. No. 1131

The purpose of this measure is to:

- (1) Update the Uniform Controlled Substances Act, chapter 329, Hawaii Revised Statutes, for consistency with amendments in federal law on controlled substances;
- (2) Add a new synthetic cathinone and eight new synthetic cannabinoids to section 329-14, Hawaii Revised Statutes;
- (3) Amend section 329-16(b), Hawaii Revised Statutes, to remove certain opium and opiate compounds and their respective salts from the Schedule II narcotic drugs; and
- (4) Amend section 329-20, Hawaii Revised Statutes, to add new controlled substances that have been federally scheduled, as required under section 329-11, Hawaii Revised Statutes.

Your Committee on Conference finds that this measure amends Hawaii's Uniform Controlled Substances Act, codified as chapter 329, Hawaii Revised Statutes, to be consistent with changes in federal law and any emergency scheduling actions taken by the Narcotics Enforcement Division Administrator, as required by section 329-11, Hawaii Revised Statutes. Your Committee on Conference further finds that there is a growing problem in the State of new synthetic hallucinogenic substances being offered for sale to the public as herbal incense, bath salts, plant food, or legal highs. Numerous adverse effects have been reported from these new synthetic cathinones and synthetic cannabinoids, including seizures, coma, agitation, convulsions, and, in some cases, death.

Your Committee on Conference has amended this measure by:

- (1) Deleting language removing certain opium and opiate compounds and their respective salts from the Schedule II narcotic drugs;
- (2) Inserting an effective date of upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1131, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1131, S.D. 2, H.D. 2, C.D. 1.

Representatives Belatti, San Buenaventura, Hashem and Fukumoto Chang.
Managers on the part of the House.

Senators Espero, Keith-Agaran and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 40 on S.B. No. 265

The purpose of this measure is to:

- (1) Amend the offense of promoting prostitution in the first degree by:
 - (A) Replacing "promoting prostitution in the first degree" with "sex trafficking";
 - (B) Establishing that a person commits the offense of sex trafficking if the person knowingly advances prostitution by compelling or inducing a person to engage in prostitution or profits from such conduct by another under certain coercive circumstances, or advances or profits from prostitution of a person less than eighteen years old; and
 - (C) Making conforming amendments to reflect the change from "promoting prostitution in the first degree" to "sex trafficking";
- (2) Include the offense of sex trafficking in the Department of the Attorney General's statewide witness program;
- (3) Include the offense of sex trafficking in the list of violent crimes for which victims may be eligible for criminal injury compensation;
- (4) Amend portions of certain sections, subsections, and a definition in chapter 663J, Hawaii Revised Statutes, relating to civil liability in specific cases of coercion into prostitution;
- (5) Remove the statute of limitations for the offense of sex trafficking;
- (6) Amend the title of part I of chapter 712, Hawaii Revised Statutes, to include sex trafficking;
- (7) Amend the penalty for the offense of prostitution by:

- (A) Establishing a class C felony if a person who paid, agreed to pay, or offered to pay a fee to engage in sexual conduct with another person did so in reckless disregard of the fact that the other person was or is a victim of sex trafficking; and
- (B) Establishing a violation if the person who engaged in, or agreed or offered to engage in, sexual conduct with another person for a fee was less than eighteen years of age at the time of the offense;
- (8) Amend the offense of promoting prostitution in the second degree by:
 - (A) Replacing "promoting prostitution in the second degree" with "promoting prostitution"; and
 - (B) Clarifying that a person commits the offense of promoting prostitution if the person knowingly advances or profits from prostitution of a person eighteen years of age or older;
- (9) Specify that a motion to vacate a conviction of certain prostitution offenses under section 712-1209.6, Hawaii Revised Statutes, does not apply to the offense of sex trafficking and add a definition of "victim of trafficking" to that section;
- (10) Include the offense of sex trafficking in the list of covered offenses for which property is subject to forfeiture;
- (11) Add the offense of sex trafficking to the list of crimes for which an order to intercept wire, oral, or electronic communications is permitted;
- (12) Make a conforming amendment to section 846E-10(c), Hawaii Revised Statutes, relating to tier 2 offenses for the registration of sex offenders; and
- (13) Include the offense of sex trafficking in the list of offenses to which deferred acceptance of guilty plea or nolo contendere plea does not apply.

Your Committee on Conference finds that national organizations have rated Hawaii highly for its laws against sex trafficking. Hawaii received the top "Tier One" rating by Polaris in its 2014 state reports. Only eleven other states have received this rating. However, your Committee on Conference further finds that the existing laws relating to prostitution and promoting prostitution may not be suitable to address certain circumstances in which coercion or other inability to consent is present. This measure uses the existing framework of laws pertaining to the promotion of prostitution by means of coercion to more appropriately title these unlawful acts as "sex trafficking".

Your Committee on Conference has amended this measure by:

- (1) Deleting language that:
 - (A) Removes the statute of limitations for the offense of sex trafficking; and
 - (B) Establishes a class C felony under the offense of prostitution if a person who paid, agreed to pay, or offered to pay a fee to engage in sexual conduct with another person did so in reckless disregard of the fact that the other person was or is a victim of sex trafficking;
- (2) Amending section 712-1202(1), Hawaii Revised Statutes, to:
 - (A) Reinstate language that requires that the advancement of prostitution be compelled or induced by force, threat, fraud, or intimidation in order to constitute sex trafficking and defines the terms fraud and threat; and
 - (B) Delete threat and intimidation from the list of certain coercive means by which a person may knowingly advance prostitution in order to constitute sex trafficking; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 265, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 265, S.D. 1, H.D. 1, C.D. 1.

Representatives Rhoads, San Buenaventura and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Espero, Shimabukuro, L. Thielen and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 41 on S.B. No. 181

The purpose of this measure is to authorize the Department of Education to continue, until June 30, 2020, awarding high school diplomas to qualified veterans who did not receive a high school diploma as a result of compulsory induction into active service in the Armed Services of the United States or to any person whose high school education was interrupted due to wartime practices such as internment during World War II.

Your Committee on Conference finds that individuals often had to defer their educational goals as a result of compulsory induction into active service in the Armed Services of the United States or due to wartime practices such as internment during World War II. Implementation of this measure recognizes veterans for their commendable service and sacrifices to our country.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of June 29, 2015; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 181, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 181, S.D. 1, H.D. 1, C.D. 1.

Representatives Ito, Takumi, Tokioka, Ohno and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Espero, Kidani, Kouchi, Harimoto and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 42 on H.B. No. 26

The purpose of this measure is to clarify the method of calculating the compensation of trustees. This measure, among other things:

- (1) Specifies that banks, trust companies, and individuals who in the ordinary course of business serve as fiduciaries shall, when serving as trustee, be entitled to reasonable compensation;
- (2) Clarifies that advanced written notice of any amendment of trustee bank and trust company fee schedules shall be provided to beneficiaries who are vested at the time of the notice;
- (3) Amends and specifies for clarity the method of calculating compensation for individual co-trustees;
- (4) Specifies that trustees shall be paid not more than once per quarter and are not required to be paid upon the trust's receipt of income; and
- (5) Repeals the cost of living adjustment of the asset value ranges upon which trustee compensation is calculated.

Your Committee on Conference has amended this measure to:

- (1) Take effect upon its approval; and
- (2) Make technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 26, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 26, H.D. 1, S.D. 1, C.D. 1.

Representatives Rhoads, Luke, Johanson and McDermott.
Managers on the part of the House.

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 43 on H.B. No. 1491

The purpose of this measure is to assure meaningful disclosure of the source of campaign funding by requiring noncandidate committees that make only independent expenditures to report, for contributions from other than an individual, for-profit business entity, or labor union that are in excess of \$10,000 in any election period or in excess of \$5,000 in the period covered by a late contribution report:

- (1) The internet address where the contributing entity's disclosure report can be publicly accessed;
- (2) The name, address, occupation, and employer of each funding source of \$100 or more in the aggregate in an election period to that contributing entity; or
- (3) An acknowledgement that the contributing entity is not subject to any state or federal disclosure requirements regarding the source of the contributing entity's funds.

Your Committee on Conference has amended this measure to make technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1491, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1491, H.D. 2, S.D. 1, C.D. 1.

Representatives Rhoads, DeCoite, Lee and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Shimabukuro, Espero, Ihara and Slom.
Managers on the part of the Senate.
(Senators Espero and Slom were excused.)

Conf. Com. Rep. 44 on H.B. No. 896

The purpose of this measure is to satisfy claims against the State, its officers, or its employees, including claims for legislative relief, judgments against the State, settlements, and miscellaneous claims by appropriating funds.

Your Committee on Conference has amended this measure to:

- (1) Include six additional claims that have been resolved for an additional \$1,580,000. Four claims increase the general fund appropriation request by \$660,000 and two claims increase appropriation requests from departmental funds by \$920,000;
- (2) Reclassify one claim in the amount of \$2,804.56 as an appropriation from departmental funds rather than general funds; and
- (3) Take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 896, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 896, H.D. 1, S.D. 2, C.D. 1.

Representatives Rhoads, Luke, Brower and McDermott.
Managers on the part of the House.

Senators Keith-Agaran, Tokuda, Espero, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Espero and Slom were excused.)

Conf. Com. Rep. 45 on H.B. No. 775

The purpose of this measure is to increase the economic benefits realized from international student enrollment at Hawaii's institutions of higher learning by appropriating funds to the Department of Business, Economic Development, and Tourism for:

- (1) Marketing Hawaii and Hawaii's institutions of higher learning to attract international students; and
- (2) Travel and other recruitment expenses related to the marketing of Hawaii as an international education destination.

Hawaii's unique history, optimal geographic placement between the United States and Asia, and globally ranked programs of higher education have all served as factors in establishing Hawaii as a major destination of choice for international students seeking to further their education. Over the past several years, however, Hawaii has been losing ground to other states in the attraction of international students, particularly students from Asia. According to the Chamber of Commerce of Hawaii, while the rest of the United States has experienced an approximately 13 percent growth in international student enrollment over the past three years, Hawaii has experienced an 11 percent decline over the same period.

While the Department of Business, Economic Development, and Tourism markets Hawaii as an educational location for overseas study, the breadth of this marketing strategy has been diminished from a lack of appropriate funding. As it is estimated by the Department that an increase of 10 percent in the number of international students studying in Hawaii would result in a concomitant increase in state tax revenues of approximately \$16,000,000, your Committee on Conference finds that it is prudent to appropriate funds to market Hawaii to international students as an educational destination.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$250,000 for Fiscal Year 2015-2016 to the Department of Business, Economic Development, and Tourism to market Hawaii and Hawaii's institutions of higher education to international students; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 775, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 775, H.D. 1, S.D. 1, C.D. 1.

Representatives Kawakami, Choy, Nishimoto, Ichiyama, Kong and Ward.
Managers on the part of the House.
(Representatives Ichiyama and Ward were excused.)

Senators Kahele, English, Galuteria, Wakai and Slom.
Managers on the part of the Senate.
(Senators Wakai and Slom were excused.)

Conf. Com. Rep. 46 on H.B. No. 582

The purpose of this measure is to:

- (1) Continue the Nursing Facility Sustainability Program by extending the program for an additional year; and

- (2) Appropriate funds out of the Nursing Facility Sustainability Program Special Fund for fiscal year 2015-2016.

Your Committee on Conference has amended this measure by:

- (1) Amending the manner in which the Nursing Facility Sustainability Fee is calculated and paid, including specifying a \$5.85 or a \$13.46 per resident daily fee, depending on the type of facility;
- (2) Making the use of revenues from the Nursing Facility Sustainability Fee and federal matching funds to enhance the capitated rates paid to Medicaid managed care health plans applicable only to state fiscal year 2015-2016;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 582, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 582, H.D. 1, S.D. 2, C.D. 1.

Representatives Belatti, Kobayashi, Creagan and Fukumoto Chang.
Managers on the part of the House.

Senators Chun Oakland, Green, Riviere, Inouye and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 47 on H.B. No. 631

The purpose of this measure is to amend the requirements for the issuance of a new birth certificate to accurately reflect an individual's gender identity and, if applicable, name change, following a gender transition by:

- (1) Deleting requirements that an individual complete a sex change operation as a prerequisite for amending the sex designation on a birth certificate;
- (2) Requiring, instead, an affidavit from a licensed medical or mental health provider attesting that the current sex designation on the birth certificate does not align with the individual's gender identity and a court order pursuant to Hawaii Supreme Court rules granting the individual's petition for an amended birth certificate;
- (3) Providing for confidentiality of the original birth certificate and the record of its amendment;
- (4) Providing for amendments to the birth certificate to reflect a legal name change associated with the gender transition; and
- (5) Prohibiting the Department of Health from requiring documentation or medical records beyond the affidavit and order specified.

Upon consideration, your Committee on Conference has amended this measure by:

- (1) Amending the affidavit requirements to specify that the affiant shall be a licensed physician with a bona fide physician-patient relationship with the birth registrant;
- (2) Specifying that the affidavit shall state that the physician has reviewed the birth registrant's medical records and determined that the birth registrant has received appropriate clinical treatment resulting in a completed gender transition so that the sex designation on the birth registrant's current birth certificate is not aligned with the registrant's actual gender;
- (3) Deleting the requirements for a petition and court order authorizing the issuance of a new birth certificate;
- (4) Changing its effective date to July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 631, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 631, H.D. 2, S.D. 1, C.D. 1.

Representatives Belatti, Rhoads, Lee and Fukumoto Chang.
Managers on the part of the House.
(Representative Fukumoto Chang was excused.)

Senators Green, Keith-Agaran and Baker.
Managers on the part of the Senate.

Conf. Com. Rep. 48 on S.B. No. 1113

The purpose of this measure is to expand the scope of background checks conducted by the Department of Health on operators, employees, applicants, and volunteers in health care facilities and other persons providing health care on behalf of the Department of Health to include criminal history record checks, sex offender registry record checks, adult abuse perpetrator and child abuse and neglect record checks, and certified nurse aide registry record checks.

Your Committee on Conference finds that individuals with developmental disabilities, as well as children and the elderly populations, are considered vulnerable to potential abuse, neglect, and mistreatment by family members, caregivers, and others who have direct access to them. This measure provides protection to the public when they seek health care services at licensed or certified health care facilities.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that for purposes of immunity from civil liability for the Department of Health, the presumption of good faith in obtaining and relying upon background check information may be rebutted upon showing of proof that the Department or its designee relied upon information or opinion that it knew was false or misleading or that the reliance was unreasonable;
- (2) Clarifying that for purposes of immunity from civil liability, any applicant or operator who receives information relating to a background check from the Department of Health or its designee shall be presumed to be acting in good faith for reasonably taking or recommending action based upon the Department's recommendation or direction; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1113, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1113, S.D. 2, H.D. 1, C.D. 1.

Representatives Belatti, Nakashima, Creagan, Hashem and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Chun Oakland, Keith-Agaran, Espero and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 49 on S.B. No. 1291

The purpose of this measure is to prohibit discrimination against medical marijuana patients and caregivers by schools, landlords, courts with regard to medical care or parental rights, employers, planned community associations, condominium property regimes, and condominiums.

Your Committee on Conference finds that some civil protections are necessary to protect registered medical marijuana patients from certain ramifications based solely upon a positive test for marijuana use. Because the State has endorsed marijuana as a legitimate medical treatment, it follows that the State would also provide protection for those who require such treatment, not only from criminal consequences, but from civil consequences as well.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have prohibited an employer from taking disciplinary measures or discriminating against an employee solely on the basis of a positive test for marijuana, under certain conditions;
- (2) Clarifying that provisions related to prohibiting discrimination by planned community associations, condominium property regimes, and condominiums against persons who have a valid certificate for the medical use of marijuana shall not be construed to diminish the obligation of planned community associations, condominium property regimes, and condominiums to provide reasonable accommodations for persons with disabilities;
- (3) Making this measure effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1291, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1291, S.D. 2, H.D. 2, C.D. 1.

Representatives Belatti, Rhoads, Creagan, Takayama and Thielen.
Managers on the part of the House.

Senators Green, Keith-Agaran, Espero, Gabbard and Ihara.
Managers on the part of the Senate.
(Senators Gabbard and Ihara were excused.)

Conf. Com. Rep. 50 on S.B. No. 1117

The purpose of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation.

Your Committee on Conference finds that during fiscal year 2015, the Hawaii Health Systems Corporation has been forced to absorb approximately \$48,000,000 in unfunded collective bargaining raises that were negotiated by the Administration on the Corporation's behalf. To deal with this deficit, the Hawaii Health Systems Corporation began implementing its contingency plans, including elimination of 109 vacant positions and 33 filled positions, closure of Maui Memorial's adolescent psychiatry unit, hiring freezes, and aggressive pursuit of attrition savings.

Your Committee on Conference further finds that an emergency appropriation for the Hawaii Health Systems Corporation is necessary to maintain a stable statewide health care system that is relied upon by residents and visitors of the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$15,000,000 for supporting the functions of the Hawaii Health Systems Corporation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1117, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1117, S.D. 2, H.D. 1, C.D. 1.

Representatives Belatti, Luke, Nishimoto and Fukumoto Chang.
Managers on the part of the House.
(Representative Nishimoto was excused.)

Senators Green, Tokuda, Baker, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 51 on H.B. No. 482

The purpose of this measure is to support the Pesticide Subsidy Program in the Department of Agriculture by:

- (1) Establishing a full-time temporary program manager position for the Program;
- (2) Establishing an unspecified maximum salary for the program manager position; and
- (3) Appropriating unspecified sums from the Pesticide Use Revolving Fund for fiscal biennium 2015-2017 for the program manager position.

Your Committee on Conference has amended this measure by:

- (1) Establishing the maximum salary of the program manager position at \$50,000 per year;
- (2) Appropriating \$75,000 for each year of fiscal biennium 2015-2017 for the program manager position; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 482, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 482, H.D. 2, S.D. 1, C.D. 1.

Representatives Tsuji, Lowen, DeCoite, Onishi and Ward.
Managers on the part of the House.

Senators Ruderman, Inouye, Kouchi, Taniguchi and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 52 on H.B. No. 573

The purpose of this measure is to help preserve and protect the agricultural resources of Hawaii and help the State achieve its goals of food security, sustainability, and self-sufficiency by:

- (1) Establishing a permanent Hawaii Good Agricultural Practices Program within the Department of Agriculture; and
- (2) Appropriating unspecified sums for fiscal biennium 2015-2017 for the implementation of the Program.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$300,000 for fiscal year 2015-2016 to implement the Hawaii Good Agricultural Practices Program;
- (2) Changing its effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 573, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 573, S.D. 1, C.D. 1.

Representatives Tsuji, Onishi, Cachola, DeCoite and Ward.
Managers on the part of the House.

Senators Ruderman, Dela Cruz and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 53 on H.B. No. 850

The purpose of this measure is to address the budgetary shortfalls experienced by the University of Hawaii College of Tropical Agriculture and Human Resources' (CTAHR) Cooperative Extension Service by appropriating funds for critical specified unfunded positions for specified counties.

Your Committee on Conference has amended this measure by:

- (1) Deleting the provisions specifying the extension agent positions and the distribution of the agents to specific counties;
- (2) Appropriating \$350,000 for four positions for the Cooperative Extension Service Program deemed critical by CTAHR in accomplishing the purpose of the Program, with one position for each county;
- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 850, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 850, H.D. 1, S.D. 2, C.D. 1.

Representatives Tsuji, Choy, Onishi, Cachola, Ichiyama and Matsumoto.
Managers on the part of the House.

Senators Taniguchi, Ruderman, Riviere, Inouye and Slom.
Managers on the part of the Senate.
(Senators Riviere and Slom were excused.)

Conf. Com. Rep. 54 on H.B. No. 1332

The purpose of this measure is to ensure that agricultural crops on the island of Kauai receive a steady and dependable supply of water and are better protected from the effects of drought conditions by appropriating unspecified sums for fiscal biennium 2015-2017 for the maintenance and improvements to the Peekauai Ditch Irrigation System, also known as Menehune Ditch on Kauai.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$10,000 for fiscal year 2015-2016 for the maintenance and improvements to the Peekauai Ditch; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1332, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1332, H.D. 1, S.D. 1, C.D. 1.

Representatives Tsuji, Onishi, Kong and Ward.
Managers on the part of the House.

Senators Ruderman, Kouchi and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 55 on H.B. No. 10

The purpose of this measure is to support student health by, among other things:

- (1) Authorizing Department of Education (DOE) employees and agents to volunteer to administer:
 - (A) Insulin, or assist a student in administering insulin via the insulin delivery system that the student uses;
 - (B) Glucagon in an emergency situation to students with diabetes; or
 - (C) Auto-injectable epinephrine in an emergency situation to students with anaphylaxis;
- (2) Allowing students to perform required diabetes self-monitoring and self-treatment activities; and
- (3) Allowing advanced practice registered nurses to provide certain written certifications regarding the administration of medication to students by themselves or by others.

Your Committee on Conference has amended the measure by changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 10, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 10, H.D. 2, S.D. 2, C.D. 1.

Representatives Takumi, Belatti, Nishimoto, Kobayashi, Kong and Matsumoto.
Managers on the part of the House.

Senators Kidani, Harimoto, Kouchi, L. Thielen and Slom.
Managers on the part of the Senate.
(Senators L. Thielen and Slom were excused.)

Conf. Com. Rep. 56 on H.B. No. 11

The purpose of this measure is to improve public education in Hawaii by authorizing an additional per year bonus for teachers who maintain current National Board certification under the National Board Certification Incentive Program and teach at a school in a focus, priority, or Superintendent's Zone, as determined by the Department of Education.

Your Committee on Conference has amended the measure by:

- (1) Applying it retroactively to bonuses for the 2014 calendar year; provided that payment of such 2014 bonuses will be made during the 2015 calendar year, in addition to any other bonuses for which the teacher is eligible for the 2015 calendar year;
- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 11, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 11, H.D. 2, S.D. 2, C.D. 1.

Representatives Takumi, Nishimoto, Kong, Ohno and Matsumoto.
Managers on the part of the House.

Senators Kidani, Harimoto and Riviere.
Managers on the part of the Senate.

Conf. Com. Rep. 57 on H.B. No. 831

The purpose of this measure is to provide for an orderly process to close down a public charter school in the event it becomes financially insolvent.

Your Committee on Conference has amended the measure by changing its effective date to upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 831, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 831, H.D. 2, S.D. 2, C.D. 1.

Representatives Takumi, Nishimoto, Kong, LoPresti and Matsumoto.
Managers on the part of the House.

Senators Kidani, Harimoto, Kouchi, Ruderman and Slom.
Managers on the part of the Senate.
(Senators Ruderman and Slom were excused.)

Conf. Com. Rep. 58 on H.B. No. 820

The purpose of this measure is to establish the Executive Office on Early Learning Prekindergarten Program to provide high-quality early childhood education to Hawaii's children.

Your Committee on Conference has amended the measure by:

- (1) Renaming the Executive Office on Early Learning Prekindergarten Program the Executive Office on Early Learning Public Prekindergarten Program;
- (2) Requiring the Executive Office on Early Learning to report on the plans and costs for program expansion in fiscal years 2017, 2018, and 2019; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 820, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 820, H.D. 2, S.D. 1, C.D. 1.

Representatives Takumi, Luke, Kong, Ohno and Matsumoto.
Managers on the part of the House.

Senators Kidani, Kouchi, Harimoto, Riviere and L. Thielen.
Managers on the part of the Senate.

Conf. Com. Rep. 59 on H.B. No. 1140

The purpose and intent of this measure is to establish a temporary cesspool upgrade, conversion, or connection income tax credit for cesspool owners who:

- (1) Upgrade or convert a qualified cesspool into a septic system or an aerobic treatment unit system; or
- (2) Connect a qualified cesspool to a sewer system.

Your Committee on Conference finds that cesspools constitute a nonpoint contamination source for the State's streams, groundwater, and ocean. Your Committee on Conference believes that, by providing financial assistance to cesspool owners who upgrade, convert, or connect their cesspools, this measure will help facilitate the reduction of cesspool pollution in the State.

Your Committee on Conference has amended this measure by:

- (1) Providing that, in the case of a qualified cesspool that is a residential large capacity cesspool, the amount of the credit shall be equal to the qualified expenses of the taxpayer, up to a maximum of \$10,000 per residential dwelling connected to the cesspool, as certified by the Department of Health;
- (2) Providing that the Department of Health, as a pilot program, may certify no more than two residential large capacity cesspools as qualified cesspools;
- (3) Inserting a dollar amount of \$5,000,000 as the maximum amount of tax credits allowed for all taxpayers in any taxable year;
- (4) Including residential large capacity cesspools within the definition of "qualified cesspool";
- (5) Defining "residential large capacity cesspool" as a cesspool that is connected to more than one residential dwelling;
- (6) Making a conforming amendment to the purpose section to reflect the inclusion of residential large capacity cesspools in the measure;
- (7) Changing the effective date to July 1, 2015; and
- (8) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1140, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1140, H.D. 1, S.D. 2, C.D. 1.

Representatives Lee, Lowen, Keohokalole and Thielen.
Managers on the part of the House.

Senators Gabbard, Tokuda and Ihara.
Managers on the part of the Senate.

Conf. Com. Rep. 60 on H.B. No. 1513

The purpose of this measure is to support local companies in Hawaii that conduct renewable energy research and development through existing contracts with the principal research division of the United States Department of Defense, Office of Naval Research, by establishing a matching grant program.

Specifically, the measure:

- (1) Establishes a two-year Alternative Energy Research and Development Pilot Program under the Department of Business, Economic Development, and Tourism to provide grants to qualified businesses that conduct research and development on alternative energy;
- (2) Establishes the Alternative Energy Research and Development Revolving Fund; and
- (3) Appropriates unspecified sums from the general fund to the Alternative Energy Research and Development Revolving Fund in fiscal years 2015-2016 and 2016-2017 to be used for providing grants during the two-year pilot program.

Your Committee on Conference has amended the measure by:

- (1) Providing that a business is ineligible to receive a grant under the Alternative Energy Research and Development Pilot Program if the business has obtained any other state grant for the same research;
- (2) Appropriating \$1,000,000 from the general fund to the Alternative Energy Research and Development Revolving Fund in fiscal years 2015-2016 and 2016-2017 to be used for providing grants during the two-year pilot program; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1513, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1513, H.D. 1, S.D. 2, C.D. 1.

Representatives Lee, Lowen, Yamane and Thielen.
Managers on the part of the House.
(Representative Yamane was excused.)

Senators Gabbard, Tokuda, Dela Cruz, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 61 on H.B. No. 1394

The purpose of this measure is to explore the sustainability and conservation potential of water scalping in Hawaii by conducting a feasibility study on the use of water scalping technology in state facilities.

Specifically, the measure:

- (1) Requires the Department of Transportation to conduct a feasibility study on the use of water scalping technology in state facilities;
- (2) Specifies the contents of the feasibility study; and
- (3) Requires the Department to submit a report to the Legislature, no later than November 30, 2016, on the Department's findings and recommendations regarding water scalping.

Your Committee on Conference finds that Hawaii has limited access to natural fresh water supplies. Your Committee on Conference believes that sustainable access to fresh water is essential to the State's future, and the State should support the discovery of new and innovative options for water conservation. Water scalping is one method that may help Hawaii achieve fresh water sustainability. The process of water scalping involves the extraction of valuable, usable water from a sewerage network. Water scalping may allow for unused and wasted water to be reclaimed and put to beneficial use, such as outdoor irrigation. Your Committee on Conference further finds that a feasibility study focused on the use of water scalping technology in state airport facilities may serve as a model to assist the State in achieving water sustainability and reducing reliance on conventional water supplies.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the feasibility study on the use of water scalping technology shall be conducted in state airport facilities, rather than in state facilities, including specifying that the Airports Division of the Department of Transportation, rather than the Department of Transportation, shall conduct the feasibility study;
- (2) Authorizing the Airports Division of the Department of Transportation to develop a process design for the processing portion of the implementation of water scalping technology, if funds are available;
- (3) Requiring the Airports Division of the Department of Transportation to submit its report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016, rather than November 30, 2016;
- (4) Directing the Airports Division of the Department of Transportation to apply for a Federal Aviation Administration grant to fund the implementation of a water scalping technology pilot project;
- (5) Making an appropriation from the airport special fund for airports administration (TRN195), as provided for in the General Appropriations Act of 2015, to support the purposes of this measure;
- (6) Clarifying that if Federal Aviation Administration funds are available, the Department of Transportation may expend the federal funds for the purposes of this measure, and if Federal Aviation Administration funds are not available, authorizing the Department of Transportation to expend up to the amount of airport special fund moneys appropriated in this measure; and
- (7) Changing the effective date from July 1, 2053, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1394, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1394, H.D. 2, S.D. 2, C.D. 1.

Representatives Lee, Yamane, Cullen, Evans, Lowen and Thielen.
Managers on the part of the House.
(Representative Yamane was excused.)

Senators Gabbard, Dela Cruz, Tokuda, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Tokuda was excused.)

Conf. Com. Rep. 62 on H.B. No. 1214

The purpose of this measure is to appropriate moneys from the general fund to the Office of the Auditor to support the state-county functions working group established by Act 174, Session Laws of Hawaii 2014.

Your Committee on Conference finds that the state-county functions working group was established by Act 174, Session Laws of Hawaii 2014, to evaluate the division of duties and responsibilities between the State and counties relating to the provision of public services. Your Committee on Conference further finds that Act 174, Session Laws of Hawaii 2014, provided that reimbursements would be made to the working group members by the Auditor, based upon the Auditor's request to the Legislature in 2015 and 2016 for an appropriation equal to the reimbursements made and expected to be

made. Reimbursements for travel and report production costs for fiscal year 2014-2015 were \$150,000, and it is estimated that the fiscal year 2015-2016 costs for consultant services, meetings, and final report production will increase to \$165,000. Your Committee on Conference believes that implementation of this measure will help the state-county functions working group to fulfill its duties and responsibilities.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the funds appropriated shall come from the transient accommodations tax revenues allocated to the counties pursuant to section 237D-6.5(b)(3), Hawaii Revised Statutes, instead of from the general revenues of the State;
- (2) Changing the appropriation amount from an unspecified sum to \$165,000, and allocating \$15,000 to pay for the actual expenses incurred and expected to be made by the working group and \$150,000 to procure consultant services to assist the working group; and
- (3) Changing the effective date from July 1, 2050, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1214, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1214, H.D. 1, S.D. 1, C.D. 1.

Representatives Nishimoto, DeCoite, Yamashita and Tupola.
Managers on the part of the House.

Senators Espero, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 63 on H.B. No. 1432

The purpose of this bill is to provide moneys for state-funded assistance programs by establishing the Interim Assistance Reimbursement Special Fund to allow the Department of Human Services to retain from one fiscal year to the next any interim assistance reimbursements received from the federal government for general assistance recipients who have been retroactively approved for supplemental security income benefits.

Your Committee on Conference has amended this bill by:

- (1) Removing the section that would have appropriated moneys out of the general fund for deposit into the Interim Assistance Reimbursement Special Fund;
- (2) Changing the amount appropriated out of the Interim Assistance Reimbursement Special Fund from an unspecified amount to \$3,000,000; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1432, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1432, H.D. 2, S.D. 1, C.D. 1.

Representatives Morikawa, Jordan, Oshiro and Fukumoto Chang.
Managers on the part of the House.
(Representative Oshiro was excused.)

Senators Chun Oakland, Tokuda, Dela Cruz and Green.
Managers on the part of the Senate.
(Senator Dela Cruz was excused.)

Conf. Com. Rep. 64 on H.B. No. 1180

The purpose of this measure is to improve transparency and efficiency in the State procurement process by, among other things:

- (1) Requiring the Administrator of the State Procurement Office to establish a contractor performance database;
- (2) Requiring the Chief Procurement Officers of the various state jurisdictions to coordinate with the Administrator regarding procurement policies, innovations, and concerns;
- (3) Transferring the authority for the Compliance Audit Unit to the State Procurement Office;
- (4) Requiring the Compliance Audit Unit to establish a meaningful statewide procurement contract database; and
- (5) Establishing a procurement task force to examine the cost impacts of the procurement process for public works construction projects and to examine and recommend past performance standards and procedures.

Your Committee on Conference has amended the contents of this measure to encompass only the provisions requiring the Chief Procurement Officer of each jurisdiction to:

- (1) Coordinate with the Administrator regarding procurement policies, innovations, and concerns; and
- (2) Report procurement contract data to the Administrator.

Additionally, your Committee has changed the effective date of this measure to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1180, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1180, H.D. 1, S.D. 2, C.D. 1.

Representatives Johanson, Kobayashi and Ward.
Managers on the part of the House.

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 65 on H.B. No. 318

The purpose of this measure is to exempt the right to place names on public buildings from the bidding requirements and 15-year limitations governing public contracts for concessions.

Your Committee has amended this measure by changing its effective date to take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 318, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 318, H.D. 1, S.D. 1, C.D. 1.

Representatives Lowen, DeCoite, Johanson and Ward.
Managers on the part of the House.
(Representative Johanson was excused.)

Senators Dela Cruz, Harimoto, Ihara, Riviere and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 66 on H.B. No. 1153

The purpose of this measure is to recognize the sacrifices made by members of the United States armed forces by exempting qualifying veterans who are totally and permanently disabled from paying the annual vehicle registration fee for motor vehicles registered after an unspecified date.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the annual vehicle registration fee exemption applies to motor vehicle registrations issued or renewed after January 1, 2016; and
- (2) Making a technical, nonsubstantive amendment for style, clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1153, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1153, S.D. 2, C.D. 1.

Representatives Ito, Aquino, Cullen, Tokioka and Tupola.
Managers on the part of the House.

Senators Espero, Nishihara, Inouye, Kidani and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 67 on H.B. No. 206

The purpose of this measure is to amend the Hawaii Public Procurement Code to require that all publicly-funded landscaping projects include a specified minimum percentage of Hawaiian plants in order to contribute to a Hawaiian sense of place, reduce the use of non-native and invasive plant species, and preserve Hawaii's ecological and cultural heritage.

Your Committee has amended this measure by:

- (1) Clarifying the procedure for determining allowable exemptions from the required minimum percentage of Hawaiian plants by specifying that the Procurement Policy Board may establish procedures, standards, or guidelines without regard to chapter 91, Hawaii Revised Statutes, for determining exclusions from total plant footprint calculations at the time that invitations for bids, requests for proposals, or other solicitations for each landscaping project are issued;
- (2) Specifying that Hawaiian plants that satisfy the minimum percentage requirement include both indigenous and endemic plant species; and
- (3) Making the measure effective upon approval and making the statutory section establishing the required minimum percentages of Hawaiian plants effective on June 30, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 206, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 206, H.D. 2, S.D. 1, C.D. 1.

Representatives Ing, Lowen, Keohokalole and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Dela Cruz, Galuteria, English, Ruderman and Slom.
Managers on the part of the Senate.
(Senators Ruderman and Slom were excused.)

Conf. Com. Rep. 68 on H.B. No. 207

The purpose of this measure is to support Hawaii's statutory and constitutional mandate to protect native Hawaiian and Hawaiian traditional and customary rights by ensuring that members of government agencies that make decisions or formulate policy that affect or concern these rights are fully informed of their relevant duties and obligations.

This measure requires the Office of Hawaiian Affairs to develop a training course on native Hawaiian and Hawaiian traditional and customary rights, natural resource protection and access rights, and the public trust. It further requires members of certain state boards and commissions to complete this training course and permits any officer, representative, or employee of the State or a county to enroll in the training course.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the training course shall include natural resource protection and access rights;
- (2) Making it effective on July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 207, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 207, H.D. 2, S.D. 2, C.D. 1.

Representatives Ing, Lowen, Keohokalole and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators Shimabukuro, Dela Cruz, Galuteria, Ihara and Slom.
Managers on the part of the Senate.
(Senators Ihara and Slom were excused.)

Conf. Com. Rep. 69 on H.B. No. 1489

The purpose of this measure is to acknowledge and observe the importance of national parks in Hawaii. More specifically, this measure, among other things:

- (1) Requires the Director of Finance of each county to issue special number plates recognizing Haleakala National Park, Hawaii Volcanoes National Park, or both, to a registered owner of a motor vehicle who completes an application and pays required fees;
- (2) Requires the Director of Finance of the City and County of Honolulu, in consultation with the Directors of Finance of the Counties of Kauai, Maui, and Hawaii, the Chiefs of Police of the City and County of Honolulu, and the Counties of Kauai, Maui, and Hawaii, and the Superintendents of Haleakala National Park and Hawaii Volcanoes National Park, to establish the design of the special number plates;
- (3) Authorizes the Director of Finance of the City and County of Honolulu to establish a special number plate design that either jointly or separately recognizes Haleakala National Park and Hawaii Volcanoes National Park;
- (4) Establishes design restrictions on the special number plates;
- (5) Authorizes the Director of Finance of each county to determine the most efficient means of directing the revenue generated by the special number plate fees to the respective national park, or its partner nonprofit organization, as appropriate; and
- (6) Authorizes the Directors of Finance of each county to revoke all special number plates issued to commemorate Hawaii's national parks if the total number of registered vehicles that obtain the special number plates is less than 150 within three years of issuance of the first special number plate.

Hawaii is fortunate to have two national parks that preserve the unique environments of the Haleakala, Mauna Loa, and Kilauea volcanoes and their surroundings: Haleakala National Park and Hawaii Volcanoes National Park. Through the work of the National Park Service, millions of visitors from around the world have the opportunity to enjoy these parks and learn about the special natural resources and important cultural history of these places. As 2016 marks the 100th anniversary of the establishment of these national parks in Hawaii, your Committee on Conference finds that authorizing the issuance of special license plates recognizing Haleakala National Park and Hawaii Volcanoes National Park would be a fitting tribute to these parks.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1489, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1489, H.D. 1, S.D. 2, C.D. 1.

Representatives Aquino, Yamashita, Har, Onishi and Tupola.
Managers on the part of the House.
(Representatives Har and Tupola were excused.)

Senators Nishihara, English and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 70 on H.B. No. 1010

The purpose of this measure is to reduce the negative impacts inherent to widespread use of motor vehicles including traffic congestion, greenhouse gas emissions, air pollution, and a reliance on fossil fuels in the transportation sector. Specifically, this measure promotes the use of commuter benefits programs by allowing counties to adopt ordinances requiring employers to offer employees specified commuter benefits options to encourage the use of alternative modes of transportation to commute to and from work.

Your Committee on Conference finds that the use of commuter benefits programs will promote alternative forms of transportation, resulting in the reduction of traffic congestion, greenhouse gas emissions, air pollution, and the State's reliance on imported fossil fuel, and lead to an enhanced quality of life for the State's commuters.

Your Committee on Conference has amended this measure by:

- (1) Including transportation furnished by an employer at no cost or low cost, as determined by the designated authority, to employees in a vanpool, bus, or similar multi-passenger vehicle operated by or for the employer as one of the specified commuter benefits options;
- (2) Changing its effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1010, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1010, H.D. 1, S.D. 2, C.D. 1.

Representatives Aquino, Rhoads, Cullen, Har, LoPresti and Tupola.
Managers on the part of the House.
(Representative Har was excused.)

Senators Espero, Nishihara, Keith-Agaran, Harimoto and Ruderman.
Managers on the part of the Senate.

Conf. Com. Rep. 71 on H.B. No. 252

The purpose of this measure is to:

- (1) Establish requirements for a pharmacy benefit manager that reimburses a contracting pharmacy for a drug on a maximum allowable cost basis; and
- (2) Require pharmacy benefit managers to have a clearly defined process for a contracting pharmacy to appeal the maximum allowable cost for a drug on a maximum allowable cost list and establish requirements for that process.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee on Conference recognizes that there is a concern because the measure does not specify the maximum length of time afforded to file an appeal with the pharmacy benefit manager. Your Committee on Conference understands that the applicable deadlines for filing an appeal are provided for in the Pharmacy Benefit Manager's Manual.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 252, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 252, H.D. 1, S.D. 2, C.D. 1.

Representatives McKelvey, Belatti, Nishimoto, Oshiro and Fukumoto Chang.
Managers on the part of the House.
(Representative Oshiro was excused.)

Senators Green, Baker, Kouchi, Wakai and Slom.
Managers on the part of the Senate.
(Senators Wakai and Slom were excused.)

Conf. Com. Rep. 72 on H.B. No. 142

The purpose of this bill is to amend the requirements for issuing affordable housing credits for housing units developed by the Department of Hawaiian Home Lands by:

- (1) Authorizing the issuance of additional credits for eligible housing units as provided by adopted county ordinances, rules, or memoranda of agreement;
- (2) Requiring that twenty-five percent of the revenue from any credits transferred by the Department be used by the Department to develop rental properties;
- (3) Permitting the Department to enter into a memorandum of agreement with each issuing county to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of affordable housing credits in accordance with county affordable housing ordinances or rules;
- (4) Requiring at least half of the affordable housing credits issued by the City and County of Honolulu to the Department to be subject to a memorandum of agreement; and
- (5) Making permanent Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, that established the counties' authority to issue affordable housing credits for housing developed by the Department of Hawaiian Home Lands.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that twenty-five percent of any monetary proceeds from credits transferred by the Department shall be used to develop units for rental properties;
- (2) Specifying that only the County of Kauai and the City and County of Honolulu may enter into memoranda of agreement with the Department;
- (3) Extending the sunset dates for Act 141, Session Laws of Hawaii 2009, and Act 98, Session Laws of Hawaii 2012, to July 1, 2019, instead of repealing the sunset dates; and
- (4) Changing the effective date to June 29, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 142, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 142, H.D. 1, S.D. 2, C.D. 1.

Representatives Hashem, Ing, Luke, Keohokalole and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators Shimabukuro, Espero, Chun Oakland, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 73 on H.B. No. 277

The purpose of this measure is to encourage the development of affordable housing by providing the counties with a financing option to support infrastructure for affordable housing projects. Specifically, this measure:

- (1) Permits the Hawaii Housing Finance and Development Corporation to issue and sell revenue bonds to provide funding for county improvements, upon request by a county; and
- (2) Allows counties the option to use community facilities districts as a method for repayment of infrastructure development loans administered by the Hawaii Housing Finance and Development Corporation.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 277, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 277, H.D. 1, S.D. 1, C.D. 1.

Representatives Hashem, Jordan, Morikawa, Oshiro and Fukumoto Chang.
Managers on the part of the House.

Senators Chun Oakland, Espero, Dela Cruz, Inouye and Slom.
Managers on the part of the Senate.
(Senators Espero and Slom were excused.)

Conf. Com. Rep. 74 on H.B. No. 1251

The purpose of this measure is to provide assistance to public charter schools and early learning programs by, among other things:

- (1) Establishing a framework for public charter schools and early learning programs to use and occupy vacant state facilities;
- (2) Requiring the Board of Education to include information on facility and project funding in its annual report on public charter schools;
- (3) Requiring the Legislature, starting with the 2016-2017 fiscal year, to consider appropriations and bond authorizations for charter school facilities;
- (4) Establishing a Charter School Facilities Funding Working Group to advise the State Public Charter School Commission on prioritizing general fund appropriations and bond proceeds for public charter schools; and
- (5) Appropriating funds and authorizing the issuance of general obligation bonds for charter school facilities and improvements.

Your Committee on Conference has amended the measure by:

- (1) Specifying that only public charter schools and early learning programs affiliated with a public charter school are eligible to use and occupy vacant state facilities;
- (2) Removing the Executive Office on Early Learning from the framework for public charter schools and early learning programs to use and occupy vacant state facilities;
- (3) Deleting the appropriations and the authorization to issue general obligation bonds;
- (4) Changing its effective date to upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1251, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1251, H.D. 1, S.D. 2, C.D. 1.

Representatives Takumi, Luke, Ing, Kong and Matsumoto.
Managers on the part of the House.

Senators Kidani, Tokuda, Dela Cruz, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 75 on H.B. No. 169

The purpose of this measure is to promote fairness in the imposition of tax on different transient accommodation business models by amending the definition of "fair market rental value" applicable to the transient accommodations tax and gradually increasing the transient accommodations tax rate imposed on resort time share vacation units by 1 percent each year until the amount of the tax rate is increased from the current 7.25 percent to 9.25 percent.

Your Committee on Conference finds that a change to the definition of "fair market rental value" is in order because the Department of Taxation has not exercised its discretion to take into account comparable transient accommodation rentals or other appraisal methods. However, the Department of Taxation believes that the scope of the gross daily maintenance fees should be clarified so that there is little question as to what is included and what is not included. The tax is based on the maintenance fees of the time share plan and does not include charges for optional goods or services such as food and beverage service. The purpose of this change is not intended to expand or reduce the scope of fees included in the gross daily maintenance fees, and as such, fees such as food and beverage, or other recreational rentals, as well as time share units' condominium association assessments should not be included.

Your Committee on Conference has amended this measure by:

- (1) Amending the definition of fair market value to:
 - (A) Clarify its application to time share units located in Hawaii;
 - (B) Specify that gross daily maintenance fees also include resort fees; and
 - (C) Exclude amounts paid for optional goods and services, such as food and beverage service;
- (2) Changing the effective dates of each tax rate as follows:
 - (A) The current 7.25 percent until December 31, 2015;
 - (B) 8.25 percent from January 1, 2016, to December 31, 2016; and
 - (C) 9.25 percent from January 1, 2017, and thereafter; and
- (3) Changing its effective date to January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 169, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 169, H.D. 1, S.D. 1, C.D. 1.

Representatives Brower, Luke, Ohno and Ward.
Managers on the part of the House.
(Representative Ward voted no, and Representative Ohno was excused.)

Senators Kahele, Tokuda and Kouchi.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 76 on S.B. No. 1361

The purpose of this measure is to increase transparency in the state budgeting process by:

- (1) Requiring the inclusion of program position ceilings and identification of permanent and temporary positions in the Executive and Judiciary budgets and related documents; and
- (2) Prohibiting the expenditure of funds on positions exceeding the applicable ceiling, subject to certain exceptions.

Your Committee on Conference finds that this measure will assist the Legislature in preparing more fiscally responsible budgets by ensuring that it receives accurate information. Further, this measure is intended to allow the Governor the flexibility to react quickly to pressing needs of the State by establishing civil service exempt positions in certain circumstances.

Your Committee on Conference has amended this measure by:

- (1) Inserting a new section within chapter 76, Hawaii Revised Statutes, providing that, with the approval of the Governor, the head of a department may establish and abolish any subordinate position for an employee engaged in a special, research, or demonstration project that is approved by the Governor, subject to the limitations of available appropriations, and making this section effective upon approval;
- (2) Inserting an effective date of July 1, 2016, for the rest of the measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1361, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1361, S.D. 2, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, LoPresti and Tupola.
Managers on the part of the House.
(Representative LoPresti was excused.)

Senators Keith-Agaran, Tokuda, Gabbard, Kouchi and Slom.
Managers on the part of the Senate.
(Senators Gabbard and Kouchi were excused.)

Conf. Com. Rep. 77 on S.B. No. 996

The purpose of this measure is to appropriate an unspecified amount for fiscal year 2015-2016 to the State Ethics Commission to design and develop a system that allows filers to electronically file required statements and reports with the Commission.

Your Committee on Conference finds that this measure will enable the State Ethics Commission to allow filers to electronically file their required statements and reports by appropriating funds for a new electronic filing system.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$130,000 to the State Ethics Commission to design and develop an electronic filing system; and
- (2) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 996, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 996, S.D. 2, H.D. 2, C.D. 1.

Representatives San Buenaventura, Luke, Hashem and Thielen.
Managers on the part of the House.

Senators Keith-Agaran, Riviere, Ihara, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Ihara and Slom were excused.)

Conf. Com. Rep. 78 on S.B. No. 1345

The purpose of this measure is to transition public schools away from the multi-track schedule and give overpopulated schools priority for capital improvement projects in order to develop facilities to accommodate the student population.

Your Committee on Conference finds that public school multi-track schedules are not driven by educational outcomes, but by economic considerations. Generally, schools on multi-track schedules have enrollment numbers that exceed school capacity. The school population is served by grouping students on various tracks and staggering their school break schedules. This allows smaller school facilities to meet the demands of larger populations by being in constant use, but serving only a portion of the total student population at any given time. Transitioning away from this model will require a number of interventions, but will be a positive change for students, teachers, and families. Establishing a traditional school schedule in every school will also provide a time period when facilities are not in use and regular school maintenance and upgrades may be completed without disrupting instructional time.

Your Committee on Conference has amended this measure by:

- (1) Deleting language requiring the Department of Education to give priority to overpopulated schools, including multi-track schools, for capital improvement project requests made as part of its annual budget request and authorizing the Legislature to make appropriations to the Department of Education accordingly;
- (2) Inserting an appropriation of \$200,000 to the Department of Education for the development of a transition plan to end the use of multi-track schedules in public schools;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1345, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1345, H.D. 1, C.D. 1.

Representatives Takumi, Johanson, Kong, LoPresti and Matsumoto.
Managers on the part of the House.

Senators Kidani, Tokuda, Dela Cruz, Harimoto and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 79 on S.B. No. 374

The purpose of this measure is to expand opportunities for high school students to earn high school and college credits simultaneously by:

- (1) Broadening current law to include all dual credit programs;
- (2) Broadening eligibility to participate in the program;
- (3) Allowing for multiple measures of assessment to determine eligibility; and
- (4) Appropriating funds for the instruction, courses, and administration of college credits, thus allowing broader participation by various types of students.

Your Committee on Conference finds that students who participate in dual credit programs are more likely to attend college and are more likely to earn a degree. The dual credit initiative will alleviate some financial obstacles associated with earning college credits, and may help high school students understand that college is a possibility for them.

Your Committee on Conference has amended this measure by:

- (1) Deleting language making home-schooled high school students eligible for the dual credit program established under the Department of Education;
- (2) Deleting language mandating that student qualifications be uniform across all campuses that offer qualified courses;
- (3) Deleting language appropriating funds to provide the Department of Education with staff and resources to administer the dual credit program;
- (4) Deleting language appropriating funds to provide the University of Hawaii with staff and resources to administer the dual credit program;
- (5) Making this measure effective upon its approval; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 374, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 374, S.D. 2, H.D. 2, C.D. 1.

Representatives Takumi, Ichiyama, DeCoite, Kong and Matsumoto.
Managers on the part of the House.

Senators Kidani, Taniguchi, Dela Cruz, Inouye and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 80 on S.B. No. 92

The purpose and intent of this measure is to update the Department of Taxation's requirement to publish reports.

Specifically, this measure:

- (1) Specifies that the Department report on the Hawaii income patterns of businesses, rather than corporations, proprietorships, and partnerships;
- (2) Requires the Department to report on specific general excise tax exemptions;
- (3) Provides specific timelines for the Department to publish reports;
- (4) Requires the Department, by December 31, 2015, to report to the Legislature on the status of upgrading its forms and reporting capabilities per the implementation of the Department of Taxation's tax system modernization; and
- (5) Repeals obsolete annual reporting requirements.

Your Committee on Conference finds that pursuant to section 231-3.4, Hawaii Revised Statutes, the Department of Taxation publishes reports on tax credits and Hawaii income patterns. Your Committee on Conference believes that a reporting requirement regarding general excise tax exemptions would provide useful information to determine the effectiveness of such exemptions. Your Committee on Conference further finds that a progress report on the Department's upgrades to its forms and reporting capabilities would be valuable because the Department is in the process of modernizing its systems.

Your Committee on Conference has amended this measure by changing the effective date from July 1, 2030, to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 92, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 92, S.D. 2, H.D. 1, C.D. 1.

Representatives Jordan, Johanson and Pouha.
Managers on the part of the House.

Senators Tokuda, Dela Cruz and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 81 on S.B. No. 104

The purpose of this measure is establish a pilot project for the development of and data collection for efficiency measures intended to be included with budget documents submitted to the Legislature.

More specifically, this measure:

- (1) Requires the Director of Finance to select one state department to participate in the pilot project;
- (2) Requires the selected state department to submit at least three proposed efficiency measures to the Director of Finance;
- (3) Requires the Director of Finance to approve the efficiency measures to be used by the selected state department;
- (4) Requires the Director of Finance to submit to the Legislature a report of its findings and recommendations concerning the pilot project and efficiency measures used;
- (5) Requires the Auditor to submit to the Legislature a report evaluating the pilot project; and
- (6) Appropriates moneys to the Department of Budget and Finance for the pilot project.

Your Committee on Conference finds that the identification and use of efficiency measures can assist the State in determining realistic department functionality and can ensure that the planned investment of funds is thoroughly considered against anticipated outcomes. Your Committee on Conference believes that the establishment of a single-department based efficiency measure pilot project will provide the State with the information it needs to implement efficiency measures across all state departments in the future.

Your Committee on Conference has amended this measure by:

- (1) Inserting a \$100,000 appropriation for fiscal year 2015-2016;
- (2) Deleting the appropriation for fiscal year 2016-2017;
- (3) Adding language that specifies that any unexpended or unencumbered moneys appropriated by section 8 of this measure lapse on June 30, 2017; and

- (4) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 104, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 104, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, DeCoite and Pouha.
Managers on the part of the House.
(Representative DeCoite was excused.)

Senators Tokuda, Inouye and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 82 on S.B. No. 105

The purpose of this measure is to require that information regarding the projected annual debt service for bonds issued to finance capital improvement projects be included in the six-year program and financial plan and budget documents submitted to the Legislature.

Your Committee on Conference finds that balancing the state budget is an intricate and time-consuming process for the Legislature. Forward-looking financial planning, including the identification and consideration of known or potential costs, is a matter of best practices in budgeting. Your Committee on Conference further finds that having additional information relating to anticipated debt service costs will allow the Legislature to make the best decisions regarding the funding of proposed capital improvement projects, agree on a balanced budget that more accurately and comprehensively reflects state costs, and better prepare for the State's fiscal future.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 105, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 105, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Yamashita and Pouha.
Managers on the part of the House.
(Representative Yamashita was excused.)

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 83 on S.B. No. 118

The purpose of this measure is to clarify the law regarding the dividends paid income tax deduction for real estate investment trusts.

More specifically, this measure:

- (1) Requires a real estate investment trust to make an affirmative election to be taxed as a real estate investment trust and provide certain information required by the Department of Business, Economic Development, and Tourism for the purposes of producing any report mandated by the Legislature; and
- (2) Requires and appropriates moneys for the Department of Business, Economic Development, and Tourism to study the impact of real estate investment trusts in Hawaii and the possible effect of repealing the dividends paid deduction for real estate investment trusts.

Your Committee on Conference finds that the tax treatment of income generated by real estate investment trusts is controversial. Your Committee on Conference presently lacks sufficient information on the economic impact of real estate investment trusts in Hawaii or tax revenues generated or avoided by these trusts to determine whether and how to amend the tax laws that apply to them. Accordingly, your Committee on Conference believes that a comprehensive study on the impact of real estate investment trusts in Hawaii is necessary before taking action on a measure that may have substantial impacts on Hawaii's economy.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that a real estate investment trust make an affirmative election to be taxed as a real estate investment trust and provide certain information required by the Department of Business, Economic Development, and Tourism for the purposes of producing any report mandated by the Legislature;
- (2) Changing the appropriation amount from an unspecified sum to \$100,000; and
- (3) Changing the effective date from July 1, 2030, to effective upon approval, except for the appropriation section, which takes effect on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 118, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 118, S.D. 1, H.D. 2, C.D. 1.

Representatives McKelvey, San Buenaventura, Johanson, Hashem and McDermott.
Managers on the part of the House.
(Representatives San Buenaventura and McDermott were excused.)

Senators Tokuda, Dela Cruz and English.
Managers on the part of the Senate.

Conf. Com. Rep. 84 on S.B. No. 250

The purpose of this measure is to clarify the state expenditure of federal funds.

More specifically, this measure:

- (1) Subjects the disbursement of federal-aid moneys to legislative appropriation or other law authorizing expenditure;
- (2) Amends the definitions of "federal aid interstate", "federal aid primary", "federal aid secondary", and "federal aid urban" in the Executive Budget Act to include funds reasonably anticipated to be received from the federal government;
- (3) Changes the definition of "federal receipts" to "federal funds" in the Executive Budget Act and includes within that definition financial aid reasonably anticipated to be received from the federal government;
- (4) Defines "unanticipated federal moneys" and allows their expenditure without an appropriation when authorized by proviso in the Budget or Supplemental Budget Act; and
- (5) Clarifies the intent that this measure applies to the Judiciary by operation of section 601-2, Hawaii Revised Statutes, and clarifies the Judiciary's budgetary reporting requirements under that section.

Your Committee on Conference finds that this measure will promote transparency in budgeting, enhance the Legislature's appropriation authority, and increase current and potential beneficiaries' awareness of the availability of federal funds to improve their future budget planning efforts. Your Committee on Conference believes that the clarifications made by this measure will assist the Legislature in gaining a more accurate understanding of federal funding amounts received by state agencies. This additional information will allow the Legislature to make better assessments of agency budgets, further facilitating fiscal accountability.

Your Committee on Conference has amended this measure by changing the effective date from July 1, 2030, to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 250, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 250, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Johanson and Pouha.
Managers on the part of the House.

Senators Tokuda, Dela Cruz and Slom.
Managers on the part of the Senate.
(Senator Dela Cruz was excused.)

Conf. Com. Rep. 85 on S.B. No. 253

The purpose of this measure is to address state debt.

Specifically, the measure:

- (1) Requires the Director of Finance to submit to the Legislature:
 - (A) A state debt management policy prior to the convening of the Regular Session of 2017; and
 - (B) A debt affordability study prior to the convening of the regular session of each odd-numbered year; and
- (2) Appropriates moneys for the preparation of the state debt management policy and the debt affordability study.

Your Committee on Conference believes that a formalized debt management policy and debt affordability study will promote both transparency in budget-making and more informed decision-making with respect to authorizations for capital improvement projects and debt issuance.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 in section 3 of the measure; and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 253, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 253, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Cullen and Pouha.
Managers on the part of the House.

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 86 on S.B. No. 254

The purpose of this measure is to require the Director of Finance to include the estimated operational costs of proposed capital improvement projects, and deferred maintenance costs for state-owned buildings, facilities, and other improvements, within the multi-year program and financial plan and each annual budget submitted to the Legislature.

This measure is also intended to apply to the annual budget information submitted by the Judiciary by operation of section 601-2, Hawaii Revised Statutes.

Your Committee on Conference finds that state ownership of buildings, facilities, and other improvements necessitates careful planning and prudent expenditures for operations and maintenance. Requiring the Director of Finance to provide cost estimates for the operation of proposed capital improvements and for expenditures related to the maintenance of state-owned properties will help policy-makers better understand the financial implications of capital improvement and operational cost-saving investments.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 254, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 254, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Tokioka and Pouha.
Managers on the part of the House.

Senators Tokuda, Keith-Agaran, Chun Oakland, Inouye and Slom.
Managers on the part of the Senate.
(Senators Chun Oakland and Slom were excused.)

Conf. Com. Rep. 87 on S.B. No. 854

The purpose of this measure is to:

- (1) Authorize the Department of Education to enter into leaseback agreements; and
- (2) Require that public school lands be leased to lessees who shall be required to modify, construct, or utilize facilities to benefit public educational purposes.

Your Committee on Conference finds that it is important to leverage state resources when appropriate to obtain the best results for the people of Hawaii. Leaseback agreements provide opportunities for improvements to state facilities without the State losing ownership of land or facilities. Such agreements allow for flexibility in the lease process and provide the Department of Education with more options for facility construction, renovation, and expansion.

Your Committee on Conference has amended this measure by:

- (1) Making this measure effective upon its approval; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 854, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 854, S.D. 2, H.D. 2, C.D. 1.

Representatives Takumi, Yamane, Yamashita, Ohno and Matsumoto.
Managers on the part of the House.

Senators Kidani, Tokuda, Dela Cruz, Galuteria and Slom.
Managers on the part of the Senate.
(Senators Galuteria and Slom were excused.)

Conf. Com. Rep. 88 on S.B. No. 376

The purpose and intent of this measure is to create a farm to school program in the Department of Agriculture and to provide funding for a farm to school coordinator position to oversee the State's farm to school program.

Your Committee on Conference finds that farm to school activities support a nutritious school food environment and that more than eighty-five percent of the youth in Hawaii attend public schools. Students who participate in farm to school activities are more likely to be familiar with, have a preference for, and consume more fruits and vegetables at school and at home, thereby establishing healthy behaviors at an early age that may prevent the onset of chronic diseases and other health conditions later in life.

Your Committee on Conference also finds that Act 55, Session Laws of Hawaii 2013, encourages the purchase and use of Hawaii grown food and food products by residents, businesses, and governmental bodies. Your Committee on Conference supports increasing the procurement of local agricultural products for schools, which has the added benefit of supporting the State's local farmers and agricultural economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting one full-time equivalent (1.0 FTE) farm to school coordinator position;
- (2) Inserting an appropriation amount of \$75,000 for the farm to school coordinator position;
- (3) Changing the source of the appropriation to the agricultural development and food security special fund; and
- (4) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 376, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 376, S.D. 2, H.D. 1, C.D. 1.

Representatives Tsuji, Takumi, Onishi, Ohno and Ward.
Managers on the part of the House.

Senators Ruderman, Kidani, Riviere, Chun Oakland and Slom.
Managers on the part of the Senate.
(Senators Kidani and Slom were excused.)

Conf. Com. Rep. 89 on S.B. No. 387

The purpose of this measure is to establish a task force to review and make recommendations on the University of Hawaii's executive policy on domestic violence, dating violence, sexual assault, and stalking.

Your Committee on Conference finds that affirmative consent policies adopted by hundreds of colleges and universities throughout the nation have contributed to supportive campus dialogues regarding healthy relationships and the necessity of consent in sexual activities by all parties. Your Committee on Conference further finds that these policies demonstrate a trend of growing commitment within institutions of higher education to provide safe and respectful campus environments.

Your Committee on Conference further finds that the University of Hawaii Board of Regents recently adopted a new executive policy concerning sexual harassment, sexual assault, domestic violence, dating violence, and stalking. This executive policy requires the various University of Hawaii campuses to implement a variety of comprehensive education and prevention programs and provide information and assistance for individuals who report alleged sexual harassment and sexual violence, as well as prompt and equitable complaint procedures and corrective actions capable of preventing future incidents of harassment and sexual violence.

Your Committee on Conference additionally finds that the University's new executive policy contains a definition of "affirmative consent" that is substantively similar to the definition contained in prior versions of this measure. Accordingly, language in this measure requiring the University to implement an affirmative consent policy is no longer necessary.

As such, this measure establishes an affirmative consent task force charged with reviewing and evaluating the current executive policy with particular focus on the current infrastructure, resources, and practices of the University of Hawaii. Your Committee on Conference notes that the diverse membership of this task force will help to ensure the development, adoption, and maintenance of a viable affirmative consent policy.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 387, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 387, S.D. 2, H.D. 3, C.D. 1.

Representatives Ichiyama, San Buenaventura, Tokioka, Morikawa and Matsumoto.
Managers on the part of the House.
(Representative Tokioka was excused.)

Senators Taniguchi, Shimabukuro, English, L. Thielen and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 90 on S.B. No. 40

The purpose of this measure is to:

- (1) Establish the behavior analyst program within the Department of Commerce and Consumer Affairs;
- (2) Require the licensing of behavior analysts for the practice of behavior analysis; and

- (3) Appropriate funds out of the compliance resolution fund to implement the behavior analyst program.

Your Committee on Conference finds that behavior analysts engaged in the practice of behavior analysis typically treat individuals with autism spectrum disorders. Your Committee on Conference further finds that behavior analysts are currently credentialed through the Behavior Analyst Certification Board. However, there is growing interest in licensure at the state level to protect the rights of behavior analysts to practice their discipline and increase consumer protection. Furthermore, federal requirements specify providers of services must be licensed in their profession in order to participate in Medicaid.

Accordingly, this measure addresses the urgent need for a licensing process for behavior analysts in Hawaii, thereby ensuring that these professionals can provide an appropriate level of care and be appropriately reimbursed for their services. Your Committee on Conference notes that it is imperative that the licensing of behavior analysts begin concurrently with any mandated insurance coverage for the diagnosis and treatment of autism.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the license and renewal surcharge to be paid by each behavior analyst shall be \$100;
- (2) Specifying that the registration system for behavior analysts established by this measure shall be repealed on June 30, 2021;
- (3) Inserting an appropriation amount of \$40,000 from the compliance resolution fund; and
- (4) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 40, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 40, S.D. 3, H.D. 2, C.D. 1.

Representatives Belatti, McKelvey, Luke, Har and Fukumoto Chang.
Managers on the part of the House.
(Representative Har was excused.)

Senators Baker, Tokuda and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 91 on S.B. No. 158

The purpose of this measure is to require that information on the State's pension and other post-employment benefit liabilities be included in the six-year program and financial plan and budget documents submitted to the Legislature.

Your Committee on Conference finds that identifying and considering both known and potential costs is part of budgeting best practices. Your Committee on Conference also finds that including pension and other-post employment benefit information in the fiscal documents submitted to the Legislature promotes transparency in state budgeting. Furthermore, the inclusion of this information in fiscal documents will allow the Legislature to develop more comprehensive, responsible, and detailed six-year financial plans and budgets.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 158, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 158, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Ichiyama and Tupola.
Managers on the part of the House.
(Representative Ichiyama was excused.)

Senators Keith-Agaran, Tokuda, Kouchi, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 92 on S.B. No. 1080

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (5) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (5) have been completed and have resulted in a supplemental agreement being executed regarding collective bargaining unit (5).

Your Committee on Conference has amended this measure to reflect the terms of the supplemental agreement entered into with regard to collective bargaining unit (5).

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1080, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1080, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 93 on S.B. No. 1081

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (10) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (10) have been completed and have resulted in a memorandum of agreement being executed regarding employer union health benefits trust fund contributions for collective bargaining unit (10). The Governor's office further has informed the Legislature that the State has also reached a supplemental agreement regarding employer union health benefits trust fund contributions for collective bargaining unit (1).

Your Committee on Conference has amended this measure by:

- (1) Reflecting the terms of the memorandum of agreement entered into with regard to collective bargaining unit (10) and the supplemental agreement entered into with regard to collective bargaining unit (1); and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1081, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1081, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 94 on S.B. No. 1082

The purpose of this measure is to appropriate funds for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (11) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (11) have been completed and have resulted in a memorandum of agreement regarding employer union health benefits trust fund contributions.

Your Committee on Conference has amended this measure to reflect the terms of the memorandum of agreement entered into with regard to employer union health benefits trust fund contributions for collective bargaining unit (11).

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1082, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1082, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 95 on S.B. No. 544

The purpose of this measure is to rejuvenate areas that have become dilapidated, obsolete, or deteriorated in the Kanoelehua industrial area on the Island of Hawaii by defining management policies and establishing within the Department of Land and Natural Resources, a four-year redevelopment pilot project for the Kanoelehua industrial area and adjacent public lands in south Hilo, Hawaii.

Your Committee on Conference finds that the Department of Land and Natural Resources has the responsibility of planning for the disposition of commercial, industrial, hotel, and resort classes of public lands to determine: specific use or uses; minimum size of parcels; required building construction or improvements; and lease terms and requirements.

Your Committee on Conference further finds that one of the consequences of the state law requiring that public land leases be issued pursuant to public bidding is that an existing lessee may have little incentive to make major repairs or improvements to their leasehold properties during the last five to fifteen years of the lease, which sometimes results in the deterioration of infrastructure and facilities.

Your Committee on Conference further finds that the rejuvenation of areas of public lands that have become dilapidated, obsolete, or have deteriorated over time is in the public interest and constitutes a valid public purpose.

Your Committee on Conference has amended this measure by deleting its contents and inserting provisions to:

- (1) Require the Legislative Reference Bureau to study how other select states manage end-of-term commercial leases involving public lands and to identify best practices in commercial leasing of public lands. Specifically, the Bureau will conduct a study on how other select states administer, renegotiate, re-open, extend, or otherwise dispose of long-term leases of public lands that are about to expire

to determine how the respective government lessors manage, handle, or deal with leases that terminate within ten years and have lessees or tenants who are unwilling or unable to secure financing to invest capital into improvements that they cannot recoup due to the limited remaining term of the lease;

- (2) Require the Bureau to report to the Legislature prior to the Regular Session of 2016 its findings and recommendations, including proposed legislation;
- (3) Appropriate \$100,000 to the Legislative Reference Bureau to conduct the study; and
- (4) Insert an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 544, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 544, S.D. 1, H.D. 1, C.D. 1.

Representatives Lee, Yamane, Luke, Lowen and Pouha.
Managers on the part of the House.

Senators L. Thielen, Gabbard, Tokuda, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 96 on S.B. No. 1090

The purpose and intent of this measure to require, rather than permit, the Employees' Retirement System to collect information from state and county departments and agencies in a required format and to penalize departments and agencies for failure to provide the required information.

The measure also requires the Employees' Retirement System to submit reports to the Legislature prior to the convening of the Regular Sessions of 2016 to 2020 on the progress of state and county departments and agencies in their efforts to comply with section 88-103.7, Hawaii Revised Statutes, as amended by this measure.

Your Committee on Conference finds that this measure will facilitate the Employees' Retirement System's efforts to more expediently collect and process member information, thereby facilitating the prompt payment of retirement benefits to government retirees and their beneficiaries.

Your Committee on Conference amended this measure by intentionally delaying the effective date until July 1, 2020, given agency concerns over compliance; provided that section 2 of the measure, which requires the Employees' Retirement System to submit progress reports to the Legislature, will remain effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1090, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1090, S.D. 2, H.D. 1, C.D. 1.

Representatives Nakashima, Keohokalole, LoPresti and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Tokuda, Ruderman, Shimabukuro and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 97 on S.B. No. 661

The purpose of this measure is to:

- (1) Establish the Hawaii unmanned aerial systems test site Chief Operating Officer position to, among other things, serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex management team;
- (2) Establish an advisory board to oversee and manage unmanned aerial systems test site operations; and
- (3) Appropriate funds to staff and operate Hawaii's unmanned aerial systems test site activities.

Your Committee on Conference finds that unmanned aerial systems are an emerging technology with significant capability for commercial and national security applications. The integration of unmanned aerial systems into the national air space will generate a technological asset that is estimated to be worth more than \$13,600,000,000 during the first three years of integration and more than \$82,000,000,000 during the next ten years, and create approximately 103,776 new jobs by 2025. Implementation of this measure will provide Hawaii, a member of the Pan-Pacific Aerial Systems Test Range Complex, with an opportunity to support the development of technology that can have a substantial positive impact on the State's economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting the purpose section of the S.D. 2 version;
- (2) Requiring the Department of Business, Economic Development, and Tourism to hire, rather than establishing within the Department, a Hawaii unmanned aerial systems test site Chief Operating Officer;
- (3) Deleting language that requires the chief operating officer to be subject to chapter 84, Hawaii Revised Statutes;

- (4) Clarifying that the Chief Operating Officer may employ one administrative assistant, rather than one administrative assistant on a full-time basis;
- (5) Inserting an appropriation amount of \$150,000 for fiscal year 2015-2016 for the purpose of staffing and operating Hawaii's unmanned aerial systems test site activities;
- (6) Deleting language appropriating funds for fiscal year 2016-2017;
- (7) Inserting an effective date of July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 661, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 661, S.D. 2, H.D. 1, C.D. 1.

Representatives Kawakami, Johanson, Kong and Ward.
Managers on the part of the House.

Senators Espero, Taniguchi, English, Inouye and Slom.
Managers on the part of the Senate.
(Senators Taniguchi and Slom were excused.)

Conf. Com. Rep. 98 on S.B. No. 1158

The purpose of this measure is to establish a special fund for the operation, maintenance, and management of the Pacific International Space Center for Exploration Systems' projects, facilities, services, and publications and for the design and construction of facilities and renovation of or addition to existing facilities.

Your Committee on Conference finds that the Pacific International Space Center for Exploration Systems was established to attract and retain aerospace investment in the State and to bridge the gap between the public and private sector in aerospace-related activities. Your Committee on Conference further finds that the Pacific International Space Center for Exploration Systems only has the ability to receive and expend funds allocated within the state budget and does not have a mechanism to receive or expend funds from any other source. Additional sources of funding would allow the organization to initiate and engage in more activities, accelerate the rate of progress on existing initiatives, and better prepare for future project needs by adding appropriate facilities.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1158, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1158, S.D. 1, H.D. 1, C.D. 1.

Representatives Kawakami, Johanson, DeCoite and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Espero, Harimoto and Inouye.
Managers on the part of the Senate.

Conf. Com. Rep. 99 on S.B. No. 1211

The purpose of this measure is to:

- (1) Increase the expenditure ceiling on major disaster fund monies for immediate relief as a result of any single emergency or disaster;
- (2) Increase additional funds available for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration; and
- (3) Require the Adjutant General to report to the Legislature the purpose of any allotment or expenditure of fund monies within one month of the allotment or expenditure.

Your Committee on Conference finds that the State is vulnerable to a wide range of natural and man-made hazards that may result in emergencies or disasters that are extremely costly. The major disaster fund is used to provide immediate relief in response to an emergency or disaster in any part of the State. However, existing law provides that the Governor may expend no more than \$2,000,000 for immediate relief as a result of any single emergency or disaster and no more than \$2,000,000 to match federal disaster relief funds following a presidential disaster declaration. Implementation of this measure will authorize the Governor to expend a higher amount if required by a future emergency or disaster.

Your Committee on Conference has amended this measure by:

- (1) Increasing the expenditure ceiling on major disaster fund monies to \$5,000,000 for immediate relief as a result of any single emergency or disaster;
- (2) Increasing additional funds available for the purpose of matching federal disaster relief funds when these funds become available to the State following a presidential disaster declaration to \$5,000,000;

- (3) Appropriating \$1,500,000 for fiscal year 2015-2016 for deposit into the major disaster fund;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1211, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1211, S.D. 1, H.D. 1, C.D. 1.

Representatives Takayama, Nishimoto, Tokioka and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Espero, Tokuda and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 100 on S.B. No. 791

The purpose of this measure is to require accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism diagnosis and treatment.

Your Committee on Conference finds that autism spectrum disorder treatments, including applied behavior analysis, are essential and have the potential to change the lives of children with autism. Your Committee on Conference further finds that no child with autism in Hawaii should be denied proper treatment due solely to the cost of the treatment. Requiring this benefit to apply to certain qualified health plans may trigger an obligation to the State to defray the cost of such coverage in these plans. However, the largest health plan under chapter 432, Hawaii Revised Statutes, and the largest health maintenance organization under chapter 432D, Hawaii Revised Statutes, have agreed that they will not seek reimbursement from the State for providing this coverage. This will ensure that there is coverage for the benefit across all markets without a cost to the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting language that cites this measure as "Luke's Law";
- (2) Specifying that the coverage required by this measure applies to policies issued or renewed after January 1, 2016, and covers the insured and individuals fourteen years of age and under;
- (3) Deleting language that would have allowed the Insurance Commissioner to determine maximum benefits for applied behavioral analysis coverage;
- (4) Specifying that coverage for applied behavioral analysis shall be subject to a maximum benefit of \$25,000 per year for services for children ages thirteen years and under;
- (5) Clarifying that coverage for autism diagnosis and treatment may be subject to copayment, deductible, and coinsurance provisions of a policy that are no less favorable than the copayment, deductible, and coinsurance provisions for substantially all medical services covered by the policy;
- (6) Deleting language that would have required an insurer who requests a review of the medical necessity of a patient's treatment for autism, except for inpatient services, to pay for the review;
- (7) Deleting language that would have required all qualified health plans to provide specific benefits even if the benefits may exceed the essential health benefits specified under section 1302(b) of the Patient Protection and Affordable Care Act of 2010 (P.L. 111-148);
- (8) Clarifying that an individual may be required to undergo repeat evaluation to remain eligible for coverage if a more recent edition of the Diagnostic and Statistical Manual of Mental Disorders is published after diagnosis;
- (9) Clarifying the definition of "autism" to mean the same as "autism spectrum disorder" as defined by the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders;
- (10) Substituting the term "habilitative services" with the term "behavioral health treatment" throughout the measure;
- (11) Inserting a savings clause;
- (12) Inserting an effective date of July 1, 2015; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 791, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 791, S.D. 1, H.D. 2, C.D. 1.

Representatives Belatti, McKelvey, Luke, Creagan and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Baker, Tokuda, Gabbard and Wakai.
Managers on the part of the Senate.
(Senator Gabbard was excused.)

Conf. Com. Rep. 101 on H.B. No. 500

PART I. OVERVIEW

Your Committee on Conference has formulated an executive budget that is fiscally responsible.

Your Committee on Conference has approved a Conference Draft of the executive budget that reduces the operating budget request submitted by the Administration. The Conference Draft appropriates an additional \$727,178,791 in all funds, inclusive of \$395,540,582 in general funds, for fiscal year 2015-2016 and \$1,149,257,629 in all funds, inclusive of \$645,050,581 in general funds, for fiscal year 2016-2017.

The following table displays the net change to the Administration's budget request as a result of the Conference Draft amendments.

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Request (Including Governor's Messages #1 & #2)	\$827,028,644	\$406,705,343	\$1,338,143,919	\$731,301,168
Conference Draft Change To Executive Request	(\$99,849,853)	(\$11,164,761)	(\$188,886,290)	(\$86,250,587)
Net Change	\$727,178,791	\$395,540,582	\$1,149,257,629	\$645,050,581

The net change of the Conference Draft results in an executive budget for fiscal biennium 2015-2017 as follows:

	Fiscal Year 2015-2016		Fiscal Year 2016-2017	
	All Funds	Gen. Funds	All Funds	Gen. Funds
Executive Budget Act 134, SLH 2013, As Amended By Act 122, SLH 2014	\$12,147,239,877	\$6,189,204,272	\$12,147,239,877	\$6,189,204,272
Net Change Of Conference Draft	\$727,178,791	\$395,540,582	\$1,149,257,629	\$645,050,581
Total Appropriation	\$12,874,418,668	\$6,584,744,854	\$13,296,497,506	\$6,834,254,853

PART II. OPERATING BUDGET

Agriculture

The Conference Draft of the executive budget adjusts the Department of Agriculture's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$612,255 in general funds and \$2,106,930 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$417,761 in general funds and \$1,753,866 in non-general funds.

The Administration's request was to add \$148,638 in general funds and \$1,556,930 in non-general funds for fiscal year 2015-2016 and \$471,444 in general funds and \$1,803,866 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$500,000 in revolving funds for fiscal year 2015-2016 for a central Oahu land swap study;
- (2) Adding \$250,000 in special funds for fiscal year 2015-2016 for prevention and treatment of macadamia felted coccid; and
- (3) Adding 4.00 positions and \$43,812 in general funds and \$66,594 in revolving funds for fiscal year 2015-2016 and \$87,624 in general funds and \$133,188 in revolving funds for fiscal year 2016-2017 for pesticide use and surveillance activities.

Accounting and General Services

The Conference Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$12,962,148 in general funds and \$442,441 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$12,683,704 in general funds and \$10,925,364 in non-general funds.

The Administration's request was to add \$7,250,618 in general funds and reduce \$9,757,559 in non-general funds for fiscal year 2015-2016 and add \$8,464,174 in general funds and reduce \$5,954,636 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding the following for executive branch information technology and business system improvements or modernization: \$6,100,000 in general funds and \$10,200,000 in non-general funds for fiscal year 2015-2016 and \$5,500,000 in general funds and \$16,880,000 in non-general funds for fiscal year 2016-2017;
- (2) Adding \$3,900,000 for fiscal year 2015-2016 and \$3,975,000 for fiscal year 2016-2017 in general funds for collocation and carrier circuit costs for redundant connectivity; and

- (3) Adding \$545,600 in general funds for each fiscal year for replacement of motor vehicles.

Attorney General

The Conference Draft of the executive budget adjusts the Department of the Attorney General's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,865,842 in general funds and \$6,233,459 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,895,759 in general funds and \$6,877,160 in non-general funds.

The Administration's request was to add \$2,749,842 in general funds and \$6,934,091 in non-general funds for fiscal year 2015-2016 and \$2,995,759 in general funds and \$6,927,792 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$380,000 in general funds for fiscal year 2015-2016 for statewide sexual assault services;
- (2) Adding \$700,000 in revolving funds for each fiscal year for the criminal history record improvement program; and
- (3) Adding \$500,000 in general funds for each fiscal year for vacancy savings reductions.

Business, Economic Development, and Tourism

The Conference Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$927,101 in general funds and \$52,800,594 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$385,932 in general funds and \$52,510,038 in non-general funds.

The Administration's request was to add \$1,195,891 in general funds and \$96,877,317 in non-general funds for fiscal year 2015-2016 and \$904,988 in general funds and \$96,662,436 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$50,000,000 in trust funds for each fiscal year for the rental housing trust fund;
- (2) Adding \$1,000,000 in special funds for each fiscal year for the Hawaii Green Infrastructure Authority; and
- (3) Adding \$250,000 in general funds for fiscal year 2015-2016 for the Beijing and Taipei state offices.

Budget and Finance

The Conference Draft of the executive budget adjusts the Department of Budget and Finance's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$171,941,167 in general funds and reducing \$13,898,198 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$406,944,063 in general funds and reducing \$11,472,825 in non-general funds.

The Administration's request was to add \$171,965,779 in general funds and reduce \$13,853,279 in non-general funds for fiscal year 2015-2016 and to add \$406,945,887 in general funds and reduce \$11,388,326 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Making payments of \$163,615,000 in general funds for fiscal year 2015-2016 and \$245,812,000 in general funds for fiscal year 2016-2017 to pre-fund other post-employment benefit obligations of the State;
- (2) Adding \$18,790,387 in general funds and \$2,134,819 in non-general funds for fiscal year 2015-2016 and \$36,045,294 in general funds and \$3,921,267 in non-general funds for fiscal year 2016-2017 for collective bargaining increases for University of Hawaii Professional Assembly members; and
- (3) Adding \$4,642,426 for fiscal year 2015-2016 and \$58,766,586 for fiscal year 2016-2017 in general funds for debt service payments for the State, Department of Education, and University of Hawaii.

Commerce and Consumer Affairs

The Conference Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$23,288,883 in special funds and reducing \$1,965,318 in trust funds; and
- (2) For fiscal year 2016-2017, by adding \$22,158,824 in special funds and reducing \$1,949,263 in trust funds.

The Administration's request was to add \$24,866,981 in special funds and reduce \$1,965,318 in trust funds for fiscal year 2015-2016 and to add \$22,993,713 in special funds and reduce \$1,949,263 in trust funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$3,562,861 for fiscal year 2015-2016 and \$731,721 for fiscal year 2016-2017 in special funds for the Public Utilities Commission's office expansion and renovation;
- (2) Adding \$258,211 for fiscal year 2015-2016 and \$516,940 for fiscal year 2016-2017 in special funds for mortgage loan originator and service regulation support; and
- (3) Adding \$110,000 in trust funds for both fiscal years for mortgage loan claims and miscellaneous contingency expenses.

Department of Defense

The Conference Draft of the executive budget adjusts the Department of Defense's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$109,134 in general funds and reducing \$180,896 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$1,087,732 in general funds and reducing \$1,333,181 in non-general funds.

The Administration's request was to reduce \$659,561 in general funds and \$160,207 in non-general funds for fiscal year 2015-2016 and \$1,074,642 in general funds and \$1,250,855 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$778,000 in general funds and \$1,636,720 in other federal funds for fiscal year 2015-2016 for the Veteran's Cemetery;
- (2) Adding \$216,184 in general funds and \$588,973 in other federal funds for fiscal year 2015-2016 and \$338,715 in general funds and \$935,480 in other federal funds for fiscal year 2016-2017 for the Hawaii Air National Guard Campus; and
- (3) Adding \$49,190 for fiscal year 2015-2016 and \$95,000 for fiscal year 2016-2017 in general funds for the Office of Homeland Security.

Department of Education

The Conference Draft of the executive budget adjusts the Department of Education's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$137,093,408 in general funds and adding \$2,158,605 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$142,768,946 in general funds and reducing \$837,744 in non-general funds.

The Administration's request was to add \$124,172,455 in general funds and reduce \$8,342,023 in non-general funds for fiscal year 2015-2016 and to add \$151,716,321 in general funds and reduce \$11,338,372 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$2,401,808 in general funds for fiscal year 2015-2016 and \$5,000,000 in general funds for fiscal year 2016-2017 for the weighted student formula;
- (2) Adding \$3,600,000 in general funds for each fiscal year for teacher recruitment and retention for hard-to-fill incentive;
- (3) Adding \$2,000,000 in general funds for fiscal year 2015-2016 for skilled nursing services to students;
- (4) Adding \$7,403,261 in general funds for fiscal year 2015-2016 for school bus contracts; and
- (5) Adding \$5,123,726 in general funds for fiscal year 2015-2016 for school food service programs.

Hawaii State Public Library System

The Conference Draft of the executive budget adjusts the Hawaii State Public Library System's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,515,306 in general funds and adding \$375,000 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$2,795,689 in general funds and adding \$375,000 in non-general funds.

The Administration's request was to add \$3,054,586 in general funds and \$375,000 in non-general funds for fiscal year 2015-2016 and to add \$3,293,211 in general funds and \$375,000 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$647,400 in general funds for fiscal year 2015-2016 and \$319,048 in general funds for fiscal year 2016-2017 for the new Nanakuli library; and
- (2) Adding \$21,906 in general funds for fiscal year 2015-2016 and \$43,812 in general funds for fiscal year 2016-2017 for a librarian for the new bookmobile at Wailuku library.

Charter Schools

The Conference Draft of the executive budget adjusts the Charter Schools' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$10,067,055 in general funds; and

- (2) For fiscal year 2016-2017, by adding \$10,044,949 in general funds.

The Administration's request was to add \$5,693,796 in general funds for fiscal year 2015-2016 and add \$6,615,134 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$7,203,312 in general funds for fiscal year 2015-2016 and \$6,049,313 in general funds for fiscal year 2016-2017 for the per pupil adjustment; and
- (2) Adding \$1,400,000 in general funds and \$415,700 in federal funds for each fiscal year for the Charter School Commission's new program ID.

Early Learning Program

The Conference Draft of the executive budget adjusts the Early Learning Program's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$378,970 in general funds and adding \$125,628 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$377,134 in general funds and adding \$125,628 in non-general funds.

The Administration's request was to reduce \$153,720 in general funds and add \$125,628 in non-general funds for fiscal year 2015-2016 and to reduce \$148,360 in general funds and add \$125,628 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding forty-nine permanent positions for the Early Learning program; and
- (2) Transferring in from the Governor's Office a temporary Director for Early Learning.

Office of the Governor

The Conference Draft of the executive budget adjusts the Office of the Governor's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$384,047 in general funds and reducing \$122,502 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$68,394 in general funds and reducing \$122,502 in non-general funds.

The Administration's request was to add \$482,737 in general funds and reduce \$122,502 in federal funds for fiscal year 2015-2016 and to add \$602,155 in general funds and reduce \$122,502 in federal funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$300,000 in general funds for fiscal year 2015-2016 for the Office of Military Affairs and Grant Maximization; and
- (2) Adding \$200,000 in general funds for fiscal year 2015-2016 for computer equipment, National Governor's Association fees, and subscriptions.

Health

The Conference Draft of the executive budget adjusts the Department of Health's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$31,099,415 in general funds and adding \$47,237,331 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$35,445,585 in general funds and adding \$56,434,971 in non-general funds.

The Administration's request was to add \$33,425,787 in general funds and \$63,211,668 in non-general funds for fiscal year 2015-2016 and \$41,556,898 in general funds and \$68,661,239 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,752,000 for each fiscal year in general funds for security guard services for the Hawaii State Hospital;
- (2) Adding \$1,419,099 for each fiscal year in general funds for the state match for the home and community-based services waiver; and
- (3) Adding 4.00 positions and \$40,812 in general funds and \$62,034 in interdepartmental transfer funds for fiscal year 2015-2016 and \$84,912 in general funds and \$129,066 in interdepartmental transfer funds for fiscal year 2016-2017 for increased vector control surveillance at state ports.

Your Committee on Conference also notes that this measure changes the means of financing for thirty-one currently filled positions from the Environmental Response Revolving Fund to the general fund. Your Committee on Conference finds that the Environmental Response Revolving Fund generates insufficient revenues to pay for its personal services and other expenses, including responses to hazardous waste and pollutant or contaminant releases into the environment. Thus, your Committee on Conference has chosen to support the program by providing general funds for currently filled positions and allowing revolving funds to be used for removal, remediation, and other emergency actions necessary to protect the public health and environment. Your Committee on Conference intends that hereafter no positions shall be financed from the Environmental Response Revolving Fund.

Your Committee on Conference has eliminated ten vacant positions that are currently financed from the Environmental Response Revolving Fund. Your Committee on Conference requests the Administration to determine whether any of those positions should be financed with general funds and, if so, to propose in the 2016 supplemental budget the inclusion of general fund appropriations for the positions for fiscal year 2016-2017. If submitted, your Committee on Conference intends to evaluate the request to determine if any of the positions should be re-established and financed with general funds.

Your Committee on Conference notes that S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, repeals the allocation of thirty-five percent of the moneys in the Hawaii Tobacco Settlement Special Fund to certain programs of the Department of Health. To complement that action, your Committee on Conference in this measure has changed the means of financing for programs and positions currently funded by moneys from the special fund. S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, appropriates general funds to replace the moneys that no longer will be allocated from the Hawaii Tobacco Settlement Special Fund. Your Committee on Conference emphasizes its intent that the general fund appropriation in S.B. No. 101, S.D. 1, H.D. 1, C.D. 1, be used to fund the programs and positions, the means of financing for which has been changed from special funds to general funds. In particular, your Committee on Conference intends that the positions continue to be funded seamlessly when the change of means of financing takes effect.

Hawaii Health Systems Corporation

The Conference Draft of the executive budget adjusts the Hawaii Health Systems Corporation's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$16,000,000 in general funds and \$33,043,636 in non-general funds; and
- (2) For fiscal year 2016-2017, by reducing \$5,000,000 in general funds and by adding \$38,986,574 in non-general funds.

This appropriation is in addition to the \$15,000,000 emergency appropriation approved in S.B. No. 1117, S.D. 2, H.D. 1, C.D. 1, for the current fiscal year 2014-2015 for the Hawaii Health Systems Corporation.

Department of Human Resources Development

The Conference Draft of the executive budget adjusts the Department of Human Resources Development's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$882,077 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,091,425 in general funds.

The Administration's request was to add \$682,077 in general funds for fiscal year 2015-2016 and \$891,425 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget also adds \$200,000 in general funds for each fiscal year for the in-service training and program effectiveness project for state employees.

Human Services

The Conference Draft of the executive budget adjusts the Department of Human Services' appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$23,954,695 in general funds and adding \$290,107,131 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,278,888 in general funds and adding \$361,383,513 in non-general funds.

The Administration's request was to reduce \$7,160,050 in general funds and to add \$308,889,132 in non-general funds for fiscal year 2015-2016 and to add \$37,529,998 in general funds and \$401,135,623 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$2,600,000 in general funds for each fiscal year for general assistance payments;
- (2) Adding \$3,000,000 in general funds for fiscal year 2015-2016 for Hawaii Public Housing Authority state family and state elderly housing facilities; and
- (3) Adding \$2,485,080 in general funds and \$2,914,902 in federal funds for fiscal year 2015-2016 for Medicaid recipients through the age of six with an autism spectrum disorder.

Labor and Industrial Relations

The Conference Draft of the executive budget adjusts the Department of Labor and Industrial Relations' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$2,976,818 in general funds and adding \$2,572,992 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$807,272 in general funds and adding \$3,515,962 in non-general funds.

The Administration's request was to add \$363,126 in general funds and add \$2,617,992 in non-general funds for fiscal year 2015-2016 and add \$817,200 in general funds and add \$3,565,962 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$905,000 in general funds for fiscal year 2015-2016 for the business optimization and modernization project;
- (2) Adding 1.00 position and \$450,000 in general funds for both fiscal years for implementation of the federal Workforce Innovation and Opportunity Act; and

- (3) Adding 1.00 position and \$30,295 for fiscal year 2015-2016 and adding \$51,289 for fiscal year 2016-2017 in general funds for prepaid health care plan and temporary disability plan reviews.

Land and Natural Resources

The Conference Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$1,456,137 in general funds and reducing \$16,802,456 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$1,002,491 in general funds and reducing \$24,143,911 in non-general funds.

The Administration's request was to add \$6,974,346 in general funds and \$6,206,976 in non-general funds for fiscal year 2015-2016 and to add \$6,765,415 in general funds and reduce \$1,051,853 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,000,000 in special funds for both fiscal years for the State Parks Division;
- (2) Adding \$250,000 for fiscal year 2015-2016 and \$500,000 for fiscal year 2016-2017 in special funds for the digitization of microfilm archives for the Bureau of Conveyances; and
- (3) Adding 2.00 positions and \$217,033 for fiscal year 2015-2016 and \$270,747 for fiscal year 2016-2017 in special funds for the Historic Preservation Division.

Your Committee notes that S.B. No. 1299, H.D. 1, C.D. 1, repeals the distribution of the conveyance tax to the Natural Area Reserve Fund. To complement that action, your Committee on Conference in this measure has reduced the ceiling for that special fund and changed the method of financing for positions currently funded by the Natural Area Reserve Fund. S.B. No. 1299, H.D. 1, C.D. 1, appropriates general funds to replace the conveyance tax revenues that no longer will be distributed to the Natural Area Reserve Fund.

Your Committee on Conference emphasizes its intent that the general fund appropriation in S.B. No. 1299, H.D. 1, C.D. 1, be used to fund the positions, the means of financing for which has been changed from special funds to general funds. Your Committee on Conference requests the Administration to propose in the 2016 supplemental budget the inclusion of general fund appropriations for the positions for fiscal year 2016-2017. Upon receipt of the budget proposal, your Committee on Conference intends that the Legislature then re-commence funding those positions, as well as other programs formerly funded with conveyance tax revenues, in that supplemental appropriations act and subsequent general and supplemental appropriations acts.

Office of the Lieutenant Governor

The Conference Draft of the executive budget adjusts the Office of the Lieutenant Governor's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$50,676 in general funds; and
- (2) For fiscal year 2016-2017, by adding \$80,793 in general funds.

The Administration's request was to add \$142,676 in general funds for fiscal year 2015-2016 and \$172,793 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$100,000 in general funds for each fiscal year for the Open Data program; and
- (2) Adding \$50,000 in general funds for each fiscal year for travel and protocol expenses.

Public Safety

The Conference Draft of the executive budget adjusts the Department of Public Safety's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$20,704,097 in general funds and \$2,317,761 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$24,837,344 in general funds and \$2,365,344 in non-general funds.

The Administration's request was to add \$20,572,097 in general funds and \$2,386,184 in non-general funds for fiscal year 2015-2016 and \$26,214,624 in general funds and \$2,433,767 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$3,164,155 for fiscal year 2015-2016 and \$2,741,454 for fiscal year 2016-2017 in general funds for inmate relocation costs associated with the Halawa Correctional Facility repair and improvement project;
- (2) Adding \$1,969,338 for fiscal year 2015-2016 and \$2,133,699 for fiscal year 2016-2017 in general funds for food supply replacement and religious food requests; and
- (3) Adding \$1,117,474 in general funds for each fiscal year for full year's salaries for positions in various programs.

Taxation

The Conference Draft of the executive budget adjusts the Department of Taxation's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$1,730,785 in general funds and \$15,229 in special funds; and
- (2) For fiscal year 2016-2017, by adding \$1,929,658 in general funds and \$21,222 in special funds.

The Administration's request was to add \$1,885,785 in general funds and \$15,229 in special funds for fiscal year 2015-2016 and \$1,929,658 in general funds and \$21,222 in special funds for fiscal year 2016-2017.

Transportation

The Conference Draft of the executive budget adjusts the Department of Transportation's appropriation as follows:

- (1) For fiscal year 2015-2016, by reducing \$48,081,836 in special funds and adding \$1,020,566 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$36,517,353 in special funds and adding \$924,977 in non-general funds.

The Administration's request was to reduce \$42,946,998 in special funds and add \$1,020,566 in non-general funds for fiscal year 2015-2016 and to add \$45,589,453 in special funds and \$924,977 in all federal funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$921,000 in each fiscal year in special funds for the Oahu zipper lane;
- (2) Adding 7.00 positions and \$1,093,783 for fiscal year 2015-2016 and \$497,206 for fiscal year 2016-2017 in special funds for the Daniel K. Inouye Highway Baseyard;
- (3) Adding 7.00 positions and \$1,283,648 for fiscal year 2015-2016 and \$1,582,430 for fiscal year 2016-2017 in special funds for an environmental section for the Maui Highways District Office; and
- (4) Adding \$256,000 for fiscal year 2015-2016 and \$203,000 for fiscal year 2016-2017 in special funds for motor vehicle replacement at Lihue Airport.

University of Hawaii

The Conference Draft of the executive budget adjusts the University of Hawaii's appropriation as follows:

- (1) For fiscal year 2015-2016, by adding \$17,918,438 in general funds and reducing \$51,423,736 in non-general funds; and
- (2) For fiscal year 2016-2017, by adding \$18,637,086 in general funds and reducing \$51,340,397 in non-general funds.

The Administration's request was to add \$17,918,438 in general funds and reduce \$51,423,736 in non-general funds for fiscal year 2015-2016 and to add \$18,637,086 in general funds and reduce \$51,340,397 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget includes the following major adjustments:

- (1) Adding \$1,139,182 in general funds for each fiscal year for the Violence Against Women Act and Title IX costs; and
- (2) Adding \$6,360,818 in general funds for each fiscal year as a lump sum to the University of Hawaii for systemwide support.

PART III. CAPITAL IMPROVEMENTS PROGRAM BUDGET

Your Committee on Conference finds that capital improvement projects play a vital role in rebuilding our economy and strengthening our social infrastructure.

After carefully considering the many needs facing the State, your Committee on Conference has provided a total of \$640,617,000 for fiscal year 2015-2016 and \$188,504,000 for fiscal year 2016-2017 for projects funded by general obligation bonds and \$1,566,234,000 for fiscal biennium 2015-2017 for projects funded by all other means of financing.

Included in this measure are projects for the following:

- (1) Health, safety, and code requirements for the Department of Agriculture, totaling \$1,900,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (2) Lump sum maintenance for existing facilities for the Department of Accounting and General Services, totaling \$24,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (3) Rental Housing Trust Fund capital infusion to expand affordable housing statewide, totaling \$40,000,000 in general obligation bond funds for fiscal year 2015-2016;
- (4) Funding to support the construction of a long-term care facility for veterans, totaling \$25,384,000 in general obligation bond funds that will provide the state match for an additional \$37,429,000 in federal funds;
- (5) Lump sum condition, capacity, equity, program support, and project positions for the Department of Education schools, totaling \$258,768,000 in general obligation bond funds for the 2015-2017 fiscal biennium;
- (6) Funding to support repair and maintenance for Hawaii public housing, totaling \$10,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium;

- (7) Lump sum repair and maintenance for the Department of Public Safety, totaling \$21,000,000 in general obligation bond funds for the 2015-2017 fiscal biennium; and
- (8) Support for repair and maintenance at University of Hawaii campuses, including \$10,000,000 in general obligation bond funds for community colleges and \$44,430,000 in general obligation bond funds for University of Hawaii systemwide support.

Your Committee on Conference has also provided funding for dozens of other projects for deferred maintenance and health and safety, including appropriations to the Department of Defense; Department of Hawaiian Home Lands; Department of Land and Natural Resources; and Department of Business, Economic Development, and Tourism, among others.

Additionally, your Committee on Conference believes that investment in airports, harbors, and highways is necessary to address the continued influx of visitors, the efficient transport of goods within and without the State, and the day-to-day needs of our residents. Your Committee on Conference has demonstrated its commitment to transportation projects by appropriating, for fiscal biennium 2013-2015, \$1,408,319,000 for the Department of Transportation, including \$376,965,000 for state highways on every island.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 500, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 500, H.D. 1, S.D. 1, C.D. 1.

Representatives Luke, Cachola, Cullen, DeCoite, Johanson, Jordan, Keohokalole, Kobayashi, Lowen, Nishimoto, Onishi, Tokioka, Yamashita, Pouha and Ward.
Managers on the part of the House.

Senators Tokuda, Kouchi, Chun Oakland, Dela Cruz, English, Galuteria, Harimoto, Inouye, Riviere and Ruderman.
Managers on the part of the Senate.
(Senators Riviere and Ruderman were excused.)

Conf. Com. Rep. 102 on H.B. No. 290

The purpose of this measure is to appropriate funds for the operating budget and capital improvement program budget of the Judiciary for the 2015-2017 fiscal biennium.

Your Committee on Conference approves \$341,556 in general funds in fiscal year 2015-2016 and \$701,052 in general funds in fiscal year 2016-2017 for the scheduled pay increase to judges as recommended by the 2013 Commission on Salaries.

Your Committee on Conference has provided positions and funding that support the specialty courts of the Judiciary, including:

- (1) 9.00 positions and \$50,934 in general funds in fiscal year 2015-2016 and \$96,168 in general funds in fiscal year 2016-2017 for Hale Ho'omaluu Juvenile Detention Facility to provide continued support for our youth;
- (2) 1.00 position and \$67,323 in general funds in fiscal year 2015-2016 and \$106,116 in general funds in fiscal year 2016-2017 for the Veterans Court to supplant expiring federal grant money; and
- (3) \$600,000 in fiscal year 2015-2016 for purchase of service contracts for civil legal services.

Your Committee on Conference provided \$55,000,000 in fiscal year 2015-2016 for the new judiciary complex in Kona.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 290, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 290, H.D. 2, S.D. 1, C.D. 1.

Representatives Rhoads, Luke, San Buenaventura and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Keith-Agaran, Tokuda and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 103 on H.B. No. 73

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds to finance capital improvement projects authorized in appropriation measures of the Executive Branch and the Judiciary; and
- (2) Make a declaration of findings with respect to the authorizations for the bonds as required under the Hawaii State Constitution.

Article VII, section 13, of the Constitution of the State of Hawaii requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare that the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance.

Your Committee on Conference has amended this measure by:

- (1) Inserting the appropriate dollar amounts throughout the measure as provided by the Department of Budget and Finance;
- (2) Updating dates cited in the measure;
- (3) Changing its effective date to upon approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 73, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 73, S.D. 1, C.D. 1.

Representatives Luke, Nishimoto and Pouha.
Managers on the part of the House.

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 104 on H.B. No. 209

The purpose of this measure is to appropriate funds for the operating costs of the Office of Hawaiian Affairs (OHA) for fiscal biennium 2015-2017.

Your Committee on Conference recognizes the significance of the services and advocacy that OHA provides its beneficiaries and acknowledges the need to ensure that OHA has sufficient resources to continue these services.

Your Committee on Conference has provided \$500,000 in general funds and \$500,000 in trust funds in each fiscal year.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 209, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 209, H.D. 2, S.D. 2, C.D. 1.

Representatives Ing, Luke, Keohokalole and Pouha.
Managers on the part of the House.

Senators Shimabukuro, Tokuda, Galuteria, Inouye and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 105 on H.B. No. 1069

The purpose of this measure is to move Hawaii towards a more diversified economy, assist small businesses conducting innovative research with their efforts toward commercialization, and promote manufacturing in Hawaii by, among other things:

- (1) Adding the receipt of Phase II or III Small Business Innovation Research awards or contracts from any participating federal agency to the qualifying criteria for businesses to receive grants from the High Technology Development Corporation;
- (2) Appropriating funds for the Department of Business, Economic Development, and Tourism to provide grants and loans through the High Technology Development Corporation;
- (3) Establishing the Hawaii Manufacturing Capital Grant Program to provide grants to manufacturers for expenses relating to equipment, planning for new facilities, and training programs; and
- (4) Appropriating funds to the High Technology Development Corporation for the Hawaii Manufacturing Capital Grant Program.

Since 1989, the High Technology Development Corporation has been assisting Phase I Small Business Innovation Research award recipients to reach their commercial potential through the provision of grants. This has proven to be successful for both the businesses awarded a grant and the State: every dollar invested through this grant program has been leveraged to attract approximately \$20 in federal funds as well as additional commercialization funding. Your Committee on Conference finds that expanding the scope of the grant program will allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Additionally, your Committee on Conference finds that there is a great need for Hawaii to develop and support manufacturing in the State. The lack of available resources and the overuse of obsolete equipment have had a detrimental effect on the market competitiveness of Hawaii businesses. Your Committee on Conference believes that it is incumbent upon the State to ease the financial burdens facing particular businesses that will work to ensure the long-term financial and economic sustainability of the State. However, your Committee on Conference notes that another measure currently moving through the conference process will assist manufacturing businesses and accomplish this goal.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$2,000,000 for Fiscal Year 2015-2016 to provide grants and loans for phase II and III awardees;
- (2) Deleting language that would have established the Hawaii Manufacturing Capital Grant Program and appropriated funds for the Program;

- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1069, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1069, H.D. 1, S.D. 2, C.D. 1.

Representatives Kawakami, Luke, Kong and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Wakai, Kouchi, Dela Cruz, Tokuda and Slom.
Managers on the part of the Senate.
(Senators Tokuda and Slom were excused.)

Conf. Com. Rep. 106 on H.B. No. 241

The purpose of this measure is to support the development of a renewable and efficient energy system in the state by extending, from June 30, 2015, to June 30, 2020, the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning LLC in financing the design and construction of a seawater air conditioning district cooling system on Oahu.

Your Committee on Conference notes that, over the years, the Legislature has authorized the issuance of millions of dollars in special purpose revenue bonds for the downtown Honolulu seawater air conditioning project. However, disruptions in the financial markets and permitting and regulatory reviews that took longer than expected have delayed the sale of these special purpose revenue bonds. Your Committee on Conference finds that extending the authorization to issue special purpose revenue bonds for this project is in the best environmental and economic interest of the state and is an important element in providing economically feasible project financing for Honolulu Seawater Air Conditioning.

However, your Committee on Conference notes that, as currently drafted, the time period authorizing the issuance of special purpose revenue bonds for Honolulu Seawater Air Conditioning LLC exceeds the five-year statutory limitation on the issuance of such bonds. Accordingly, your Committee on Conference has amended this measure by amending the date by which the authorization to issue the special purpose revenue bonds will lapse from June 30, 2020, to June 26, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 241, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 241, S.D. 1, C.D. 1.

Representatives Kawakami, Lowen, Kong and Thielen.
Managers on the part of the House.
(Representative Thielen was excused.)

Senators Gabbard, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 107 on H.B. No. 242

The purpose of this measure is to support the development of a renewable and efficient energy system in the State by extending, from June 30, 2015, to June 30, 2020, the authorization to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning LLC, in financing the design and construction of a seawater air conditioning district cooling system on Oahu.

Your Committee on Conference notes that, over the years, the Legislature has authorized the issuance of millions of dollars in special purpose revenue bonds for the downtown Honolulu seawater air conditioning project. However, disruptions in the financial markets and longer than expected permitting and regulatory reviews have delayed the sale of these special purpose revenue bonds. Your Committee on Conference finds that extending the authorization to issue special purpose revenue bonds for this project is in the best environmental and economic interest of the State and is an important element in providing economically feasible project financing for Honolulu Seawater Air Conditioning LLC.

However, your Committee on Conference notes that, as currently drafted, the authorized time period for the issuance of special purpose revenue bonds exceeds the five-year statutory limitation on the issuance of such bonds. Accordingly, your Committee on Conference has amended this measure by amending the date by which the authorization to issue the special purpose revenue bonds will lapse from June 30, 2020, to June 27, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 242, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 242, S.D. 1, C.D. 1.

Representatives Kawakami, Lowen, Kong and Thielen.
Managers on the part of the House.
(Representative Thielen was excused.)

Senators Gabbard, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 108 on H.B. No. 1343

The purpose of this measure is to improve economic recovery in Hawaii after a natural disaster, particularly for businesses, by appropriating funds to meet the matching requirement for federal funds awarded to establish a Business Recovery Center within the Department of Defense.

A business recovery center is an online website where businesses and government agencies collaborate before, during, and after a natural disaster. Some of the activities of a business recovery center include distributing federal disaster program information, establishing information channels to allow the private sector to access information including the status of utilities and roads, allowing the private sector to post information about operating hours during and after disasters, and acting as a portal to post requests for proposals so local businesses can bid on contracts during and after disasters.

Your Committee on Conference finds that the establishment of a business recovery center in Hawaii would help businesses, their employees, and the overall economy of Hawaii recover after a natural disaster.

Your Committee on Conference also notes that the appropriation authorized by this measure for the establishment of a business recovery center within the Department of Defense is necessary to receive a federal match of \$1,159,000 for this initiative.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$328,000 for fiscal year 2015-2016 for the establishment of a business recovery center within the Department of Defense; and
- (2) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1343, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1343, H.D. 1, S.D. 1, C.D. 1.

Representatives Kawakami, Takayama, Keohokalole, Kong, San Buenaventura and Ward.
Managers on the part of the House.
(Representatives Kong and Ward were excused.)

Senators Wakai, Espero, Harimoto, Galuteria and Slom.
Managers on the part of the Senate.
(Senators Espero and Slom were excused.)

Conf. Com. Rep. 109 on H.B. No. 1292

The purpose of this measure is to increase transparency and accountability in state contracts by continuing the work of the Procurement Task Force to study the cost impacts that the procurement process has had for public works construction projects and examine and recommend past performance standards and statewide processes in order to promote economy, efficiency, effectiveness, and impartiality in procurement for state and county governments.

Your Committee on Conference finds that directing the Procurement Task Force to study the cost impacts that the procurement process has had on public works construction projects as well as to examine the issue of past performance and establish the factors that should be considered as part of due diligence when evaluating a contractor's past performance for the purpose of awarding a contract will promote efficiency, effectiveness, and impartiality in the procurement of public works contracts.

Your Committee on Conference has amended this measure by:

- (1) Correcting a reference to a member of the task force, the Hawaii Building and Construction Trades Council, to reflect the Council's affiliation with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO);
- (2) Deleting reference to the AFL-CIO as a separate member of the task force;
- (3) Deleting the provision allowing for the Comptroller to appoint all other persons as applicable to the task force;
- (4) Changing its effective date to July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1292, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1292, H.D. 2, S.D. 2, C.D. 1.

Representatives Kawakami, Jordan, Kobayashi, Kong and Ward.
Managers on the part of the House.
(Representatives Kobayashi and Ward were excused.)

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.
Managers on the part of the Senate.
(Senators Riviere and Slom were excused.)

Conf. Com. Rep. 110 on H.B. No. 174

The purpose of this measure is to promote accessibility to quality health care procedures in the State by requiring health insurance coverage for medically necessary orthodontic treatment of orofacial anomalies.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that coverage of medically necessary orthodontic services for the treatment of orofacial anomalies resulting from birth defects or birth defect syndromes shall be paid for by medical insurance;
- (2) Changing the effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 174, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 174, H.D. 2, S.D. 1, C.D. 1.

Representatives Belatti, McKelvey, Kobayashi, Takayama and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Baker and English.
Managers on the part of the Senate.

Conf. Com. Rep. 111 on H.B. No. 448

The purpose of this measure is to:

- (1) Amend the multidisciplinary and multiagency review process for domestic violence fatalities to also require the review of near-deaths and suicides;
- (2) Authorize the Department of Health to enter into Memoranda of Understanding with relevant government agencies and branches to obtain information relating to near-deaths resulting from intimate partner violence;
- (3) Require that the information collected and recommendations derived from the review process be compiled for use in system reform efforts relating to the reduction of preventable deaths, near-deaths, and suicides resulting from domestic violence;
- (4) Establish the Address Confidentiality Program within the Department of the Attorney General to, among other things, keep the actual address of a relocated victim of domestic violence, a sexual offense, or stalking confidential and prevent the victim's assailants or potential assailants from finding the victim through public records; and
- (5) Appropriate funds to implement the Address Confidentiality Program and to establish one full-time position to assist in implementing the program.

Your Committee on Conference has amended this measure by:

- (1) Deleting the Address Confidentiality Program and the appropriation of funds to implement the program;
- (2) Changing the effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 448, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 448, H.D. 1, S.D. 1, C.D. 1.

Representatives Belatti, San Buenaventura, DeCoite, Morikawa and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Keith-Agaran, Tokuda, L. Thielen and Slom.
Managers on the part of the Senate.
(Senators Tokuda and Slom were excused.)

Conf. Com. Rep. 112 on H.B. No. 581

The purpose of this measure is to:

- (1) Continue the Hospital Sustainability Program by extending the program for an additional year;
- (2) Update and clarify language regarding payments and reimbursements from the Hospital Sustainability Program Special Fund (Special Fund) and liability for the Hospital Sustainability Fee;
- (3) Reduce the inpatient Hospital Sustainability Fee to be 1.892 percent of net inpatient hospital service revenue;

- (4) Increase the amount of direct payments from the Special Fund to \$88,000,000 for private hospitals to cover uncompensated care costs and specify an upper payment limit payment amount of \$3,975,442 for designated Level II trauma centers;
- (5) Specify that eligible hospitals shall receive payments from the Special Fund based on their Medicaid utilization; and
- (6) Appropriate \$50,000,000 from the Special Fund to the Hospital Sustainability Program for fiscal year 2015-2016.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2015; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 581, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 581, H.D. 1, S.D. 2, C.D. 1.

Representatives Belatti, Kobayashi, Creagan and Fukumoto Chang.
Managers on the part of the House.

Senators Green, Chun Oakland, English, Harimoto and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 113 on H.B. No. 943

The purpose of this measure is to:

- (1) Establish the Civil Monetary Penalty Special Fund (Special Fund) for the deposit of federal civil monetary penalties collected by the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS) when Medicaid-certified health care facilities or agencies do not meet Medicare certification requirements;
- (2) Require the Department of Health (Department) to submit a report to the Legislature prior to the convening of each regular session regarding the status of the Special Fund; and
- (3) Appropriate funds to the Department for purposes approved by CMS.

Your Committee on Conference has amended this measure by appropriating \$30,000 for fiscal year 2015-2016 and \$15,000 for fiscal year 2016-2017 out of the Special Fund for purposes approved by CMS.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 943, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 943, H.D. 1, S.D. 2, C.D. 1.

Representatives Belatti, Kobayashi, Jordan and Fukumoto Chang.
Managers on the part of the House.
(Representative Fukumoto Chang was excused.)

Senators Green, Chun Oakland and Inouye.
Managers on the part of the Senate.

Conf. Com. Rep. 114 on H.B. No. 782

The purpose of this measure is to raise awareness of the cytomegalovirus, which causes birth defects and childhood disability, by:

- (1) Requiring the Department of Health to establish a working group to develop a Public Education Program to inform and educate pregnant women and women who may become pregnant about cytomegalovirus, and to inform and educate health care providers who may be responsible for screening, testing, diagnosing, and treating pregnant mothers or newborns with cytomegalovirus;
- (2) Requiring the working group to submit a report on the development, implementation, and funding of the public education program; and
- (3) Making an appropriation to support the working group.

Your Committee has amended this measure by:

- (1) Deleting the establishment of the working group and instead statutorily requiring the Department of Health to provide a public education program containing information on certain, specified aspects of cytomegalovirus, including transmission and prevention to:
 - (A) Pregnant women and women who may become pregnant; and
 - (B) Hospitals, health care providers, and child, infant, and toddler care facilities, including organizations offering children's programs as part of a worship service;
- (2) Deleting the appropriation to support the working group;

- (3) Changing its effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 782, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 782, H.D. 1, S.D. 2, C.D. 1.

Representatives Belatti, Rhoads, Kobayashi, Woodson and Fukumoto Chang.
Managers on the part of the House.
(Representative Rhoads was excused.)

Senators Green, Inouye, Baker, Galuteria and Slom.
Managers on the part of the Senate.
(Senator Galuteria was excused.)

Conf. Com. Rep. 115 on H.B. No. 1440

The purpose of this measure is to improve access to and the quality of health services available to schoolchildren by appropriating funds for the Hawaii Keiki: Healthy and Ready to Learn program.

Your Committee on Conference has amended this measure by:

- (1) Making the appropriation for the amount of \$1,000,000 for each year of fiscal biennium 2015-2017;
- (2) Specifying that the appropriation for fiscal year 2016-2017 shall be expended only if the Department of Education receives and expends non-State funds of at least \$500,000 for the program during the fiscal year; and
- (3) Changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1440, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1440, H.D. 1, S.D. 1, C.D. 1.

Representatives Belatti, Nishimoto, Morikawa and Matsumoto.
Managers on the part of the House.

Senators Kidani, Green, Harimoto, Kouchi and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 116 on H.B. No. 576

The purpose of this measure is to enable Hawaii to obtain a state innovation waiver from the Federal Patient Protection and Affordable Care Act of 2010 (ACA), as amended, by:

- (1) Narrowing the focus of the State Innovation Waiver Task Force (Task Force) to developing a plan for applying for a state innovation waiver that complies with section 1332 of the ACA and all applicable public notice requirements;
- (2) Providing that the Task Force's interim reports to the Legislature do not have to recommend allocations of existing moneys available for health reform and innovation; and
- (3) Making an appropriation for expenses related to developing the state innovation waiver.

Your Committee has amended this measure by:

- (1) Requiring the Task Force to examine the feasibility of providing affordable insurance coverage for uninsured and underinsured individuals that include innovations to the State's existing Medicaid program;
- (2) Deleting the appropriation; and
- (3) Changing the effective to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 576, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 576, H.D. 1, S.D. 1, C.D. 1.

Representatives Belatti, McKelvey, Luke, Creagan and McDermott.
Managers on the part of the House.
(Representatives Luke and McDermott were excused.)

Senators Baker, Tokuda, Harimoto, Taniguchi and Wakai.
Managers on the part of the Senate.

Conf. Com. Rep. 117 on H.B. No. 1168

The purpose of this measure is to authorize use of the boating special fund to pay for planning, developing, managing, operating, or maintaining lands and improvements under the control and management of the Board of Land and Natural Resources, including the hiring of permanent or temporary civil service exempt staff.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1168, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1168, H.D. 1, S.D. 1, C.D. 1.

Representatives Yamane, Cullen, Evans, Lowen and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators L. Thielen, Riviere, Galuteria, Ihara and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 118 on H.B. No. 1366

The purpose of this measure is to identify and acquire or build additional office space in urban Honolulu to accommodate state governmental agencies and offices.

Specifically, the measure appropriates moneys for:

- (1) The Department of Land and Natural Resources to plan for and acquire the leasehold interest in TMK (1) 2-1-017-008-0000, 2-1-017-008-0001, and 2-1-017-008-0002, and acquire the building thereon, known as Alii Place; and
- (2) The Department of Accounting and General Services to pay the first two years of debt service if and when the acquisition is accomplished.

Your Committee on Conference has amended this measure by:

- (1) Making clarifying amendments to its purpose section;
- (2) Rather than directing the Department of Land and Natural Resources to engage in acquiring Ali'i Place, instead authorizing the Governor's Office, Department of the Attorney General, Department of Land and Natural Resources, Department of Accounting and General Services, and Department of Budget and Finance to enter into negotiations for the purchase of Ali'i Place;
- (3) Deleting language regarding the Department of Accounting and General Services' management of the property;
- (4) Removing the appropriation for payment of debt service by the Department of Accounting and General Services;
- (5) Authorizing the Department of Accounting and General Services to perform due diligence in connection with the transaction;
- (6) Requiring a joint progress report from the Department of Land and Natural Resources and the Department of Accounting and General Services prior to the Regular Session of 2016;
- (7) Changing its effective date to July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purpose of consistency, clarity, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1366, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1366, S.D. 2, C.D. 1.

Representatives Yamane, Luke, Hashem, Yamashita and Ward.
Managers on the part of the House.

Senators Dela Cruz, Tokuda, English, Ihara and Kouchi.
Managers on the part of the Senate.

Conf. Com. Rep. 119 on H.B. No. 158

The purpose of this measure is to appropriate funds to the Department of the Prosecuting Attorney of the County of Maui for the prosecution of cases under the Drug Court and Mental Health Court Programs.

Your Committee on Conference has amended this measure to:

- (1) Appropriate \$150,000 as a grant-in-aid to the Department of the Prosecuting Attorney of the County of Maui to prosecute cases in both the Drug Court and Mental Health Court for fiscal year 2015-2016;
- (2) Take effect on July 1, 2015; and

- (3) Make technical, nonsubstantive amendments for the purposes of clarity, and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 158, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 158, S.D. 1, C.D. 1.

Representatives San Buenaventura, Luke, Yamashita and Tupola.
Managers on the part of the House.

Senators Espero, Keith-Agaran, English, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Shimabukuro and Slom were excused.)

Conf. Com. Rep. 120 on H.B. No. 832

The purpose of this measure is to allow the University Laboratory School to conform its student enrollment profile to the standard prescribed by the University of Hawaii College of Education in order to meet the College of Education's research requirements.

Your Committee on Conference has amended this measure to:

- (1) Require the State Public Charter School Commission to submit a report to the Legislature that reviews the University Laboratory School's actual admissions data to ensure conformity with the school's admissions policy;
- (2) Require the University Laboratory School to conduct a study, and report to the Legislature prior to the 2016 legislative session, on whether the school should be a private school instead of a public charter school to determine whether an exemption from Chapter 302D, Hawaii Revised Statutes, is necessary; and
- (3) Make the measure drop dead on July 1, 2020.

Your Committee respectfully requests that the State Public Charter School Commission monitor the admissions policy and practices of the University Laboratory School.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 832, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 832, H.D. 1, S.D. 2, C.D. 1.

Representatives Takumi, Choy, Nishimoto, Ichiyama, Kong, LoPresti and Matsumoto.
Managers on the part of the House.
(Representative Kong was excused.)

Senators Kidani, Tokuda and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 121 on S.B. No. 1124

The purpose of this measure is to clarify that in order to obtain a permit or permit renewal to moor a vessel in a state small boat harbor, the vessel owner shall:

- (1) Provide a marine surveyor's inspection or a vessel inspection by the Department of Land and Natural Resources, no more than two years old, certifying that the vessel has been inspected and fulfills the requirements set by the Department of Land and Natural Resources; and
- (2) Provide satisfactory proof that the person is at least eighteen years of age prior to obtaining a use permit or being placed on a waitlist for a use permit.

Your Committee on Conference finds that a person should be at least eighteen years of age in order to be placed on the waitlist for a permit. Your Committee on Conference further finds that a vessel inspection by the Department of Land and Natural Resources is sufficient in lieu of a marine surveyor's vessel inspection.

Your Committee on Conference has amended this measure by changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1124, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1124, H.D. 1, C.D. 1.

Representatives Yamane, Cullen, Evans and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators L. Thielen, Galuteria and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 122 on S.B. No. 1060

The purpose and intent of this measure is to establish a low interest biosecurity loan program to assist the livestock industry.

Your Committee on Conference finds that Hawaii's livestock industry is economically and culturally significant and livestock operations are susceptible to the introduction of pests and diseases that can affect the health and welfare of the animals, and in some cases may affect the health and well-being of people who come in contact with the animals or farm products. Biosecurity measures serve to protect the health of poultry and livestock and are increasingly being required by federal programs to ensure a safe food supply. While these measures help protect the farm and consumers, they often do not result in additional profits for the operation; therefore low interest loans will assist livestock operations to ensure the sustainability of Hawaii's livestock industry.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1060, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1060, S.D. 2, H.D. 1, C.D. 1.

Representatives Tsuji, Onishi, Tokioka and Ward.
Managers on the part of the House.

Senators Ruderman, Riviere, Harimoto, Taniguchi and Slom.
Managers on the part of the Senate.
(Senators Taniguchi and Slom were excused.)

Conf. Com. Rep. 123 on S.B. No. 273

The purpose of this measure is to:

- (1) Require the examiner of drivers to accept a sworn statement from a victim services organization, an attorney, a member of the clergy, correctional institution staff, a medical or other health professional, or a verification letter from a homeless service provider as documentary evidence of a homeless person's address;
- (2) Require the Director of Transportation's rules to direct the examiner of drivers to waive all fees for the issuance of an identification card for homeless individuals; and
- (3) Establish a working group to develop a plan to enable homeless individuals to obtain necessary documentary evidence to obtain a state civil identification card.

Your Committee on Conference finds that legal identification is necessary to obtain and maintain certain financial and nonfinancial benefits, housing, employment, medication, and other life essentials. Your Committee on Conference further finds that houseless citizens in Hawaii often face overwhelming barriers to obtaining valid identification, and that allowing qualified individuals to provide documentation verifying a homeless individual's address would assist homeless individuals in obtaining critical services and becoming more self-sufficient.

Your Committee on Conference has amended this measure by:

- (1) Expanding the working group to include a representative from the United States Citizenship and Immigration Services, Social Security Administration, Department of Labor and Industrial Relations, and Partners in Development Foundation's We Are Oceania Project;
- (2) Removing the Director of Transportation or the Director's designee from the working group;
- (3) Deleting replacement identification card from the types of identification cards for which the fee must be waived when issued to qualified homeless individuals; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 273, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 273, S.D. 2, H.D. 2, C.D. 1.

Representatives Morikawa, Rhoads, Luke, Hashem and Fukumoto Chang.
Managers on the part of the House.
(Representative Luke was excused.)

Senators Chun Oakland, Keith-Agaran, Espero, Harimoto and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 124 on S.B. No. 1009

The purpose and intent of this measure is to ensure that hotels either distribute portage service charges to employees in full or notify customers that service charges are being used for other purposes.

Your Committee on Conference finds that consumers should know whether or not, and to what extent, the money they pay hotels in portage service charges is being paid to employees. When a hotel charges service charges to customers, customers may believe that those charges are being paid to

employees as tip income; however, this is not necessarily the case, and this information could influence whether or not a consumer chooses to use portage services. Therefore, your Committee on Conference finds that it should be transparent to consumers how hotels distribute portage service charges.

Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1009, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1009, S.D. 1, H.D. 1, C.D. 1.

Representatives Brower, Nakashima, Tokioka, LoPresti and Ward.
Managers on the part of the House.

Senators Kahele, Keith-Agaran and Taniguchi.
Managers on the part of the Senate.
(Senator Taniguchi was excused.)

Conf. Com. Rep. 125 on S.B. No. 1324

The purpose of this measure is to require the Employees' Retirement System to directly pay a portion of a member's pension or related benefit to a former spouse of the member, pursuant to an award in a divorce action. This measure further requires the Employees' Retirement System to adopt rules and prepare forms to effectuate this measure.

Your Committee on Conference finds that this measure will ensure that a member's pension or related benefits are properly divided pursuant to an award ordered in a divorce action and that court ordered payments are made in a prompt manner.

Your Committee on Conference has amended this measure by:

- (1) Amending section 1;
- (2) Replacing section 2 with a provision creating a new section in chapter 88, part II, subpart C, Hawaii Revised Statutes, that, among other things:
 - (A) Provides authority for the direct payment of a member's or retirant's pension or a related benefit to a spouse or former spouse pursuant to a qualifying divorce decree;
 - (B) Provides terms for the commencement and termination of such direct payments;
 - (C) Sets forth circumstances where divorce decree need not be complied with; and
 - (D) Requires the Employees' Retirement System to adopt rules and produce forms necessary to implement the new section, including establishing a schedule for filing, service, and administrative fees;
- (3) Replacing section 3 of this measure with a provision amending section 88-91, Hawaii Revised Statutes; and
- (4) Inserting an effective date of January 1, 2018, to allow the Employees' Retirement System sufficient time to implement a system to comply with this measure; provided that the authority of the Employees' Retirement System to adopt rules and prepare forms shall take effect upon approval.

With regard to the administrative fee permitted under the new section in chapter 88, Hawaii Revised Statutes, as established by section 2 of this measure, it is the intent of your Committee on Conference that the total of the administrative fees collected shall not exceed the actual cost of implementing the program, and shall not be based solely on the cost of each individual transaction.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1324, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1324, S.D. 2, H.D. 1, C.D. 1.

Representatives Nakashima, Rhoads, Keohokalole, San Buenaventura and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators Shimabukuro, Kouchi, Espero, Inouye and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 126 on S.B. No. 1028

The purpose of this Act is to:

- (1) Require all group health issuers to offer to contract with any federally-qualified health centers in the relevant service area to provide all covered ambulatory services offered by the federally-qualified health centers in accordance with network adequacy standards of the Hawaii Health Connector (Connector);
- (2) Amend the purposes of the Connector to include providing enrollment, implementation, and benefit administration services for health plans not offered through the Connector;

- (3) Authorize the Connector to generate revenue through the provision of enrollment, implementation, and benefit administration services for health plans not offered through the Connector or other ancillary products and services; and
- (4) Require that the network adequacy standards of the Connector adhere to the requirements for contracts with federally-qualified health centers in conformance with the requirements of federal implementing regulations.

Your Committee on Conference finds that the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) required state-based exchanges to be self-sustaining as of January 1, 2015. However, due to Hawaii's small population of uninsured individuals, Hawaii's state-based exchange, known as the Hawaii Health Connector (Connector), has faced challenges in its goal of financial sustainability. The State's low number of uninsured individuals is primarily due to the success of the Hawaii Prepaid Health Care Act, which has enabled Hawaii residents to secure employer-sponsored health insurance for over forty years and resulted in an uninsured resident rate of less than ten percent. Your Committee on Conference further finds that the Connector has been working with the State and the private sector to ensure that the requirements of the Affordable Care Act work in tandem with the Prepaid Health Care Act to preserve the Prepaid Health Care Act's existing benefits for Hawaii residents.

Your Committee on Conference notes that although the Affordable Care Act funded the development and initial operation of the Connector, the federal government did not provide the start-up capital necessary to support operations until the Connector enrolled a sufficient number of individuals to help pay for the Connector's operating expenses. Your Committee on Conference also notes that the federal Centers for Medicare and Medicaid Services is requiring the submission of a Corrective Action Plan that will address details of the State's plan to ensure compliance with all Affordable Care Act requirements, including financial sustainability of the Connector.

Your Committee on Conference also finds that although this measure proposes to amend the purpose of the Connector and make certain changes associated with network adequacy, this measure is intended to be a vehicle for a general fund appropriation for the continued operations of the Connector. Amendments to this measure are therefore necessary to insert a general fund appropriation for the operations of the Connector, which will assist in the implementation of the required sustainability plan.

Finally, your Committee on Conference notes that the Legislature is committed to keeping the Connector as a state-based health exchange. Your Committee on Conference additionally finds that it is imperative that the Board of Directors of the Connector continue to work closely with the Legislature, the Administration, and other state agencies on the continued operation of the Connector as a state-based health exchange to ensure compliance with the Affordable Care Act and the continued success of the State's visionary Prepaid Health Care Act.

Your Committee on Conference has amended this measure by:

- (1) Deleting the definition for "qualified health plan";
- (2) Deleting language that would have required all group health issuers to offer to contract with any federally-qualified health centers in the relevant service area to provide all covered ambulatory services offered by the federally-qualified health centers in accordance with network adequacy standards of the Connector;
- (3) Deleting language that would have amended the purpose of the Connector to include providing enrollment, implementation, and benefit administration services for health plans not offered through the Connector;
- (4) Deleting language that would have authorized the Connector to generate revenue through the provision of enrollment, implementation, and benefit administration services for health plans not offered through the Connector or other ancillary products and services;
- (5) Deleting language that would have required that the network adequacy standards of the Connector adhere to the requirements for contracts with federally-qualified health centers in conformance with the requirements of federal implementing regulations;
- (6) Inserting a general fund appropriation of \$2,000,000 for fiscal year 2015-2016 for the operations of the Connector, to be expended by the Department of Commerce and Consumer Affairs;
- (7) Updating the purpose section;
- (8) Inserting an effective date of July 1, 2015; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1028, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1028, S.D. 2, H.D. 1, C.D. 1.

Representatives Belatti, McKelvey, Luke, Creagan and Fukumoto Chang.
Managers on the part of the House.

Senators Baker, Tokuda, Harimoto, Taniguchi and Wakai.
Managers on the part of the Senate.
(Senators Harimoto and Wakai were excused.)

Conf. Com. Rep. 127 on S.B. No. 1297

The purpose of this measure is to address the disposition of tax revenues collected under the cigarette tax and tobacco tax law.

More specifically, this measure:

- (1) Specifies that tax revenues that are currently distributed to the trauma system special fund, community health centers special fund, and emergency medical services special fund shall be realizations of the general fund after June 30, 2015; and

- (2) Appropriates general fund moneys to programs currently funded by cigarette tax and tobacco tax distributions.

Your Committee on Conference finds that continuing to distribute cigarette tax revenues to the trauma system special fund, community health centers special fund, and emergency medical services special fund will provide a more reliable funding source for the programs supported by those special funds. However, your Committee also finds that having no limit on the amount of tax revenues that may be deposited into these special funds is not fiscally responsible. Your Committee on Conference further finds that placing a cap on the amount of cigarette tax revenues received by these special funds will promote budgetary planning and transparency by:

- (1) Making forecasts of general fund revenues more reliable;
- (2) Increasing legislative oversight of the agencies and programs supported by those special funds; and
- (3) Increasing competition for limited public funds among agencies and programs.

Upon further consideration, your Committee on Conference has amended this measure by:

- (1) Retaining the distribution of tax revenues to the trauma system special fund, community health centers special fund, and emergency medical services special fund;
- (2) Establishing, effective after June 30, 2015, maximum dollar amounts that shall be distributed to those special funds;
- (3) Reducing, effective after June 30, 2015, the distribution to the trauma system special fund from 1.5 cents per cigarette to 1.125 cents per cigarette;
- (4) Providing for the transfer of moneys from the trauma system special fund into the general fund if the ending balance exceeds a certain amount at the end of a fiscal year;
- (5) Deleting the general fund appropriation sections;
- (6) Changing the effective date to July 1, 2015; and
- (7) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1297, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1297, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Johanson and Ward.
Managers on the part of the House.

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 128 on S.B. No. 519

The purpose and intent of this measure is to:

- (1) Extend for one additional year the changes adopted by Act 326, Session Laws of Hawaii 2012, which, among other things, established local contact and informational requirements for transient accommodations;
- (2) Require the Department of Taxation to submit an annual report to the Legislature on the implementation of Act 326, Session Laws of Hawaii 2012;
- (3) Authorize the Department of Taxation to enforce civil penalties for operators and plan managers who fail to display certificates of registration and registration identification numbers as required by section 237D-4, Hawaii Revised Statutes; and
- (4) Authorize the deposit of monetary fines into the tax administration special fund.

Your Committee on Conference finds that many residents of Hawaii believe that home-based vacation rentals should be subject to the same transient accommodations tax levied on hotel rooms and time shares. Although many home-based vacation rentals are subject to the same transient accommodations tax levied on hotel rooms and time shares, many operators of transient accommodations and plan managers of resort time share vacation plans have been circumventing the law, creating an unfair advantage over their law-abiding counterparts. In line with public sentiment on this issue, your Committee on Conference finds that action is necessary to correct this situation.

Your Committee on Conference has amended this measure by:

- (1) Deleting the contents of section 1 and inserting legislative findings relating to transient accommodation local contacts;
- (2) Deleting the definition of "transient" and inserting a definition of "local contact";
- (3) Including resort time share vacation interests, units, and plans in the definition of "transient accommodations broker";
- (4) Increasing the balance that may be retained in the tax administration special fund in each fiscal year from \$500,000 to \$700,000;
- (5) Deleting disclosure requirements regarding the transient accommodations tax law;

- (6) Specifying notice requirements relating to local contact information;
- (7) Imposing fines for a violation of the registration and local contact information display or notice requirements, including for advertisements, per transient accommodation or resort time share vacation unit and staggering the fine amounts to increase for subsequent violations;
- (8) Authorizing conspicuous provision of an electronic link to the registration identification number of an operator or plan manager, in lieu of the actual registration identification number, in an advertisement for a transient accommodation or resort time share vacation interest, plan, or unit;
- (9) Deleting amendments to Act 326, Session Laws of Hawaii 2012;
- (10) Inserting a severability clause;
- (11) Inserting an effective date of January 1, 2016; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 519, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 519, S.D. 2, H.D. 3, C.D. 1.

Representatives Brower, McKelvey, Rhoads, Nishimoto, Ohno and Ward.
Managers on the part of the House.

Senators Kahele, Baker, Keith-Agaran, Tokuda and Slom.
Managers on the part of the Senate.
(Senators Tokuda and Slom were excused.)

Conf. Com. Rep. 129 on S.B. No. 892

The purpose of this measure is to make various appropriations for the Hawaii resilience and sustainability strategy in the areas of broadband and joint emergency management, energy efficiency and smart grid, and water and sewer infrastructure.

Your Committee on Conference finds that Hawaii needs a new way of thinking about how the State addresses critical infrastructure needs. Your Committee on Conference further finds that increasing broadband capacity is critical to businesses and the continued growth of Hawaii's economy. Broadband internet provides various benefits, including increased access to information, facilitation of healthcare delivery and services, economic opportunities and accelerated business development, and the enhanced capacity for smart grid technology and increased energy conservation.

Your Committee on Conference notes that this measure will facilitate the development of public-private partnerships to provide more secure, reliable, and resilient internet and data capacity.

Your Committee on Conference has amended this measure by:

- (1) Updating the purpose section;
- (2) Inserting an appropriation amount of \$500,000 for fiscal year 2015-2016 only for the Hawaii broadband initiative;
- (3) Deleting language that would have appropriated general funds for the necessary expenses incurred to design broadband cable landing sites and prepare seven environmental impact statements;
- (4) Deleting language that would have appropriated general funds necessary for planning and constructing a joint emergency management center;
- (5) Inserting an appropriation amount of \$250,000 for fiscal year 2015-2016 only for the energy efficiency and grid operations research;
- (6) Inserting an appropriation amount of \$250,000 for fiscal year 2015-2016 only for the county water improvement and sewer distribution systems project;
- (7) Inserting an appropriation amount of \$25,000,000 for fiscal year 2015-2016 only for the Hawaii resilience and sustainability strategy;
- (8) Inserting an effective date of July 1, 2015; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 892, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 892, S.D. 2, H.D. 3, C.D. 1.

Representatives Kawakami, McKelvey, Nishimoto, Yamashita and Ward.
Managers on the part of the House.
(Representatives Nishimoto and Ward were excused.)

Senators Wakai, Espero, Gabbard, English and Dela Cruz.
Managers on the part of the Senate.
(Senator Gabbard was excused.)

Conf. Com. Rep. 130 on S.B. No. 423

The purpose of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the City and County of Honolulu. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for fiscal year 2015-2016 as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit and Victim Witness Assistance Program, including the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 423, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 423, S.D. 1, H.D. 1, C.D. 1.

Representatives Rhoads, DeCoite, Brower and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Espero, Keith-Agaran, Galuteria, Harimoto and Slom.
Managers on the part of the Senate.
(Senators Keith-Agaran and Slom were excused.)

Conf. Com. Rep. 131 on S.B. No. 524

The purpose of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Hawaii for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Hawaii. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for fiscal year 2015-2016 as a grant-in-aid for the County of Hawaii Office of the Prosecuting Attorney Career Criminal Prosecution Unit and Victim Witness Assistance Program, including the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 524, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 524, S.D. 2, H.D. 1, C.D. 1.

Representatives San Buenaventura, DeCoite, Creagan and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Espero, Keith-Agaran, Inouye, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Keith-Agaran and Slom were excused.)

Conf. Com. Rep. 132 on S.B. No. 1305

The purpose of this measure is to appropriate funds as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Kauai for the Career Criminal Prosecution Unit and Victim Witness Assistance Program.

Your Committee on Conference finds that the Career Criminal Prosecution Program addresses the issue of career criminals, and the Victim Witness Assistance Program provides information, assistance, and support services to the victims of and witnesses to crimes. These programs provide worthy services to the citizens of the County of Kauai. However, funding for the programs has been significantly reduced in recent years. Implementation of this measure provides the necessary resources to protect the public from career criminals and further assures that victims and witnesses are supported through the judicial process.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$50,000 for fiscal year 2015-2016 as a grant-in-aid to the Office of the Prosecuting Attorney of the County of Kauai for the Career Criminal Prosecution Unit and Victim Witness Assistance Program, including for the hiring of necessary staff;
- (2) Deleting the appropriations for fiscal year 2016-2017;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1305, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1305, S.D. 1, H.D. 1, C.D. 1.

Representatives San Buenaventura, DeCoite, Tokioka and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Espero, Keith-Agaran, Kouchi, Galuteria and Slom.
Managers on the part of the Senate.
(Senators Keith-Agaran and Slom were excused.)

Conf. Com. Rep. 133 on S.B. No. 1214

The purpose of this measure is to:

- (1) Require an electric utility to unbundle customer rates and charges in order to be eligible to receive financing assistance through special purpose revenue bonds; and
- (2) Authorize the Department of Budget and Finance to issue special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.

Your Committee on Conference finds that multi-project capital improvement projects and programs to provide electric energy are in the public interest. Implementation of this measure authorizes the issuance of special purpose revenue bonds to assist Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; and Hawaii Electric Light Company, Inc.; in financing multi-project capital improvement projects and programs that will benefit public health, safety, and welfare.

Your Committee on Conference has amended this measure by:

- (1) Deleting language requiring an electric utility to unbundle customer rates and charges in order to be eligible to receive financing assistance through special purpose revenue bonds;
- (2) Authorizing the Department of Budget and Finance to issue up to \$80,000,000 in special purpose revenue bonds in the following distribution: up to \$70,000,000 for Hawaiian Electric Company, Inc.; up to \$7,500,000 for Maui Electric Company, Limited; and up to \$2,500,000 for Hawaii Electric Light Company, Inc.;
- (3) Inserting a lapsing date of June 30, 2020; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1214, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1214, H.D. 1, C.D. 1.

Representatives Lee, Luke, Lowen and Pouha.
Managers on the part of the House.

Senators Gabbard, Baker, Tokuda, Ihara and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 134 on S.B. No. 1050

The purpose of this measure is to:

- (1) Require each electric utility in the State to file a proposed community-based renewable energy tariff or tariffs with the Public Utilities Commission by October 1, 2015;
- (2) Require the Public Utilities Commission to establish a community-based renewable energy tariff or tariffs if the tariff or tariffs are in the public interest; and
- (3) Authorize ratepayer participation in eligible community-based renewable energy projects.

Your Committee on Conference finds that localized renewable energy generation has become increasingly attainable for all types of customers over the past several years. However, despite the rise in statewide residential solar energy use, many individuals and businesses are currently unable to directly participate in renewable energy because of various impediments. Implementation of this measure will create a community-based renewable energy tariff structure that will increase access to renewable energy generation.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the requirement that the Public Utilities Commission establish a community-based renewable energy tariff or tariffs pursuant to section 269-16, Hawaii Revised Statutes;
- (2) Inserting an effective date of upon approval; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1050, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1050, S.D. 2, H.D. 3, C.D. 1.

Representatives Lee, Woodson, Nishimoto, Lowen and Thielen.
Managers on the part of the House.

Senators Gabbard, Baker, Tokuda, Ihara and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 135 on S.B. No. 349

The purpose of this measure is to:

- (1) Establish a renewable fuels production tax credit;
- (2) Repeal the ethanol facility tax credit; and
- (3) Require the Department of Business, Economic Development, and Tourism to certify all tax credits and submit a report regarding the production and sale of renewable fuels to the Governor and Legislature each year.

Your Committee on Conference finds that the State is vulnerable to soaring energy prices and disruptions of its energy imports, which can hinder, cripple, or even devastate the State's economy and the well-being of its residents. The State imports nearly ninety percent of its energy needs and almost one hundred percent of its transportation needs. It is critical that the State becomes more self-sufficient to ensure greater energy security. The establishment of a renewable fuels production tax credit will advance the State's clean energy initiatives and assist the State in achieving greater energy security.

Your Committee on Conference has amended this measure by:

- (1) Making the renewable fuels production tax credit refundable;
- (2) Authorizing taxpayers to claim a refundable renewable fuels production tax credit equal to 20 cents per seventy-six thousand British thermal units of qualifying renewable fuel;
- (3) Limiting the renewable fuels production tax credit claimable by a taxpayer to \$3,000,000 per taxable year;
- (4) Limiting the renewable fuels production tax credit to \$3,000,000 per year in the aggregate; and
- (5) Inserting a sunset date for the tax credit of June 30, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 349, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 349, S.D. 2, H.D. 2, C.D. 1.

Representatives Lee, Luke, Lowen and Thielen.
Managers on the part of the House.

Senators Gabbard, Tokuda and Ihara.
Managers on the part of the Senate.

Conf. Com. Rep. 136 on S.B. No. 359

The purpose of this measure is to:

- (1) Specify that allocations of environmental response, energy, and food security tax revenues to the environmental response revolving fund shall cease after June 30, 2015;
- (2) Make permanent the agricultural development and food security special fund and repealing the June 30, 2030, lapse date of unexpended or unencumbered monies in the fund;
- (3) Make permanent the amendments made under Act 73, Session Laws of Hawaii 2010, to the environmental response revolving fund; the energy security special fund; and the environmental response, energy, and food security tax; and
- (4) Appropriate funds for environmental programs and natural resource programs formerly supported by the allocation of environmental response, energy, and food security tax revenues to the environmental response revolving fund.

Your Committee on Conference finds that the State is precariously dependent on imported food and energy. The environmental response, energy, and food security tax, also known as the barrel tax, is a vital revenue source that supports critical investments and initiatives in clean energy, local agricultural production, and environmental response. The implementation of this measure will ensure ongoing funding for environmental projects, reduce the State's dependence on imported fossil fuels, and further the State's goals of food and energy self-reliance.

Your Committee on Conference has amended this measure by:

- (1) Inserting language to amend the definition of "distributor" as used in the fuel tax law to include fossil fuel;
- (2) Deleting language specifying that allocations of environmental response, energy, and food security tax revenues to the environmental response revolving fund shall cease after June 30, 2015;
- (3) Requiring the environmental response, energy, and food security tax to be additionally imposed on fossil fuels sold by a distributor to any retail dealer or end user, other than a refiner, of fossil fuel, to be paid by the distributor of the fossil fuel;
- (4) Specifying various allocations of environmental response, energy, and food security tax revenues from fossil fuel distributors to be deposited into the environmental response revolving fund, energy security special fund, energy systems development special fund, and agricultural development and food security special fund;
- (5) Specifying that the environmental response, energy, and food security tax on fossil fuels does not apply to coal in certain situations;
- (6) Authorizing gas utilities to recover the cost of the environmental response, energy, and food security tax imposed on fossil fuels as part of its fuel cost in its fuel adjustment charge without further approval by the Public Utilities Commission;
- (7) Making conforming amendments related to the environmental response, energy, and food security tax imposed on fossil fuels;
- (8) Defining "barrel" and "fossil fuel";
- (9) Deleting the appropriations;
- (10) Clarifying the purposes for which the environmental response revolving fund may be used;
- (11) Requiring monies in the environmental response revolving fund in excess of \$1,250,000 on June 30 of each fiscal year be transferred into the general fund;
- (12) Repealing the requirement that certain positions be funded by the environmental response revolving fund;
- (13) Requiring the Director of Health to report to the Legislature actual and planned expenditures from, amounts in, revenues into, unexpended encumbrances reserve of, and transfers from the environmental response revolving fund;
- (14) Amending the purpose of this measure accordingly; and
- (15) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 359, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 359, S.D. 1, H.D. 1, C.D. 1.

Representatives Lee, Luke, Tsuji and Thielen.
Managers on the part of the House.

Senators Gabbard, Ruderman, Tokuda, Kouchi and L. Thielen.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 137 on S.B. No. 964

The purpose of this measure is to appropriate monies to support Hawaii's elderly population.

More specifically, this measure:

- (1) Appropriates funds for the kupuna care program and the aging and disability resource center;

- (2) Requires that the Alzheimer's Disease and Related Dementia Services Coordinator be appointed in accordance with chapters 76 and 89, Hawaii Revised Statutes, no later than July 1, 2017, and appropriates funds for the Coordinator position;
- (3) Appropriates funds for elderly fall prevention and early detection services;
- (4) Appropriates funds to support the healthy aging partnership program; and
- (5) Establishes and appropriates funds for an Alzheimer's Disease and Related Dementia Public Awareness Campaign.

Your Committee on Conference finds that Hawaii's kupuna need the State to prioritize their health and well-being. Census projections indicate that Hawaii's senior population will almost double between 2010 and 2020, with the highest percentage increase occurring in kupuna over the age of 85. Minimizing the potential financial strain of the aging population on the State and addressing the elderly population's needs require significant proactive efforts.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$3,000,000 for the kupuna care program for fiscal year 2015-2016 only;
- (2) Deleting the appropriation for the aging and disability resource center;
- (3) Deleting the provision appointing an Alzheimer's Disease and Related Dementia Services Coordinator and the appropriation for the Coordinator position;
- (4) Deleting the appropriation for fall prevention and early detection services;
- (5) Deleting the appropriation for the healthy aging partnership program;
- (6) Deleting the appropriation for the Alzheimer's Disease and Related Dementia Public Awareness Campaign;
- (7) Inserting an effective date of July 1, 2015; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 964, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 964, S.D. 2, H.D. 1, C.D. 1.

Representatives Belatti, Morikawa, Luke, Takayama and Fukumoto Chang.
Managers on the part of the House.

Senators Chun Oakland, Green, Tokuda, Riviere and Slom.
Managers on the part of the Senate.
(Senators Riviere and Slom were excused.)

Conf. Com. Rep. 138 on S.B. No. 64

The purpose of this measure is to make appropriations for subsidies, three positions, and contract services for the continued implementation of the preschool open doors program.

Your Committee on Conference finds that the preschool open doors program is Hawaii's school readiness program that provides critical subsidies for low to moderate income families sending their children to a licensed preschool to prepare them for kindergarten. Your Committee on Conference further finds that the preschool open doors program allows approximately 1,300 of Hawaii's children to attend licensed preschools, which has short-term and long-term benefits for children, individuals, and society as a whole.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation for three positions and contract services for the continued implementation of the preschool open doors program;
- (2) Inserting an appropriation amount of \$6,000,000 for subsidies for the preschool open doors program for fiscal year 2015-2016 only;
- (3) Inserting an effective date of July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 64, S.D. 3, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 64, S.D. 3, H.D. 1, C.D. 1.

Representatives Morikawa, Takumi, Kobayashi, Keohokalole and Fukumoto Chang.
Managers on the part of the House.

Senators Chun Oakland, Kidani, Tokuda, L. Thielen and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 139 on S.B. No. 1001

The purpose of this measure is to establish an income tax credit for taxpayers who incur certain expenses for manufacturing-related activities in Hawaii.

Your Committee on Conference finds that manufacturers in Hawaii produce goods that are in demand across the United States and around the world. Thus, developing and supporting manufacturing in Hawaii could reduce Hawaii's need to import consumer products and lead to greater economic development. Your Committee on Conference further finds that, according to The Chamber of Commerce Hawaii, Hawaii has more than one thousand active manufacturers that currently employ approximately seventeen thousand workers.

Your Committee on Conference believes that establishing a manufacturing development tax credit would provide financial benefits to manufacturers, thereby increasing their growth and encouraging other manufacturers to begin operations in Hawaii, to strengthen Hawaii's economy.

Your Committee on Conference has amended this measure by reverting to the S.D. 2 version, which establishes a manufacturing development program, rather than a manufacturing income tax credit, through which the High Technology Development Corporation may provide grants to manufacturers in the State for the purchase of and training of employees to use manufacturing equipment and improvement in energy efficiency of manufacturing equipment, and further amending the measure by:

- (1) Additionally authorizing grants for studying or planning the implementation of a new manufacturing facility;
- (2) Increasing the maximum grant amount that a company may receive in any given year from \$20,000 to \$100,000;
- (3) Inserting an appropriation amount of \$2,000,000 for fiscal year 2015-2016 only to the High Technology Development Corporation to facilitate the provision of grants;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1001, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1001, S.D. 2, H.D. 1, C.D. 1.

Representatives Kawakami, Johanson, Brower and Ward.
Managers on the part of the House.
(Representative Brower was excused.)

Senators Wakai, Tokuda, Dela Cruz, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 140 on S.B. No. 504

The purpose of this measure is to:

- (1) Require the State Historic Preservation Division (SHPD) of the Department of Land and Natural Resources (DLNR) to conduct a survey on properties eligible for listing on the Hawaii register of historic places and to submit a report to the Legislature; and
- (2) Appropriate funds to DLNR to conduct the survey.

Your Committee on Conference finds that the appropriate surveying and recording of historic districts and single-family residences possibly eligible for listing on the Hawaii register of historic places is crucial for their appropriate management and preservation. Your Committee on Conference further finds that this measure would enable SHPD to conduct a survey of potentially eligible districts and residences and facilitate timely review of permit applications submitted to DLNR.

Your Committee on Conference further finds that a data management plan for the digitization of historic preservation records is crucial to the protection and management of the State's historic places and the facilitation of critically needed infrastructure, housing, and economic development projects. The data management plan includes digitization of over 3,600,000 pages of documents, as well as the creation of several databases, a geographic information system, and integration of all these items into a single functioning system.

Your Committee on Conference has amended this measure by:

- (1) Deleting its purpose section;
- (2) Appropriating \$100,000 to DLNR for fiscal years 2016 and 2017 to conduct a survey identifying potential historic districts and single-family residences that may be eligible for listing on the Hawaii register of historic places;
- (3) Appropriating \$150,000 to DLNR for fiscal years 2016 and 2017 to implement a data management plan for the digitization of historic preservation records;
- (4) Inserting an effective date of July 1, 2015; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 504, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 504, S.D. 2, H.D. 1, C.D. 1.

Representatives Yamane, Cullen, Evans and Pouha.
Managers on the part of the House.
(Representative Evans was excused.)

Senators Taniguchi, L. Thielen, Tokuda, Galuteria and Slom.
Managers on the part of the Senate.
(Senators Galuteria and Slom were excused.)

Conf. Com. Rep. 141 on H.B. No. 126

The purpose of this measure is to fund Hawaii Employer-Union Health Benefits Trust Fund costs and other cost adjustments for officers and employees of specified legislative agencies who are excluded from collective bargaining.

Your Committee on Conference has amended this measure by:

- (1) Inserting the appropriate appropriation amounts in this measure;
- (2) Clarifying that appropriation amounts are for fiscal biennium 2015-2017; and
- (3) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 126, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 126, S.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators Tokuda, Keith-Agaran, Galuteria, Harimoto and Slom.
Managers on the part of the Senate.
(Senator Harimoto was excused.)

Conf. Com. Rep. 142 on H.B. No. 553

The purpose of this measure is to allow graduate student assistants employed by the University of Hawaii to collectively bargain by:

- (1) Establishing collective bargaining unit (15) to consist of graduate student assistants employed by the University of Hawaii;
- (2) Specifying that graduate student assistants employed by the University of Hawaii and working less than twenty hours per week shall not be excluded from an appropriate bargaining unit; and
- (3) Requiring the Chief Negotiator of the Office of Collective Bargaining to convene the prospective collective bargaining unit working group to make recommendation to the Legislature regarding collective bargaining unit (15).

Your Committee on Conference has amended this measure by:

- (1) Removing the provisions that would have established collective bargaining unit (15) for graduate student assistants employed by the University of Hawaii;
- (2) Removing the provisions that would have required the Chief Negotiator of the Office of Collective Bargaining to convene the prospective collective bargaining unit working group;
- (3) Requiring the University of Hawaii and the relevant exclusive representatives to meet and report to the Legislature;
- (4) Changing the effective date to upon approval; provided that any negotiated collective bargaining agreement shall not take effect until July 1, 2016; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 553, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 553, H.D. 1, S.D. 2, C.D. 1.

Representatives Nakashima, Choy, Keohokalole, Ichiyama, LoPresti and Matsumoto.
Managers on the part of the House.
(Representative LoPresti was excused.)

Senators Taniguchi, Keith-Agaran and Tokuda.
Managers on the part of the Senate.
(Senator Tokuda was excused.)

Conf. Com. Rep. 143 on H.B. No. 696

The purpose of this measure is to help increase and strengthen the workforce in the State by:

- (1) Establishing the Hawaii Healthcare Workforce Advisory Board; and
- (2) Allowing the Director of Labor and Industrial Relations to establish workforce advisory boards with specific duties and responsibilities.

Your Committee on Conference has amended this measure by:

- (1) Changing the membership of the Hawaii Healthcare Workforce Advisory Board to include the Director of the Hawaii/Pacific Basin Area Health Education Center and one member representing a nurse training program;
- (2) Clarifying that the workforce advisory boards shall develop goals with a particular attention to efforts in pre-service programs and opportunities;
- (3) Changing the effective date to July 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 696, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 696, H.D. 1, S.D. 1, C.D. 1.

Representatives Nakashima, Belatti, Keohokalole, Har and Fukumoto Chang.
Managers on the part of the House.
(Representative Har was excused.)

Senators Green, Keith-Agaran, Tokuda, Riviere and Slom.
Managers on the part of the Senate.
(Senator Keith-Agaran was excused.)

Conf. Com. Rep. 144 on H.B. No. 697

The purpose of this measure is to:

- (1) Require the Department of Accounting and General Services (DAGS) to:
 - (A) Undertake lease buyback processing under the program of centralized engineering and office leasing services;
 - (B) Facilitate facility agreements between the State and private investors for the sale of facilities to private investors; and
 - (C) Conduct an inventory of all leases of property between state agencies and private entities and submit a report to the Legislature; and
- (2) Require the Auditor to conduct a study that reviews the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects.

Your Committee on Conference has amended this measure by:

- (1) Excluding the facilities managed or controlled by the Department of Transportation (DOT) from the DAGS program to facilitate facility agreements between the State and private investors for the sale of facilities;
- (2) Clarifying that DAGS shall establish, coordinate, and manage a program to facilitate facility agreements between the State and private investors for the sale of facilities to private investors;
- (3) Excluding DOT from the auditor's study to review the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects;
- (4) Inserting an appropriation amount of \$250,000;
- (5) Changing the effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 697, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 697, H.D. 1, S.D. 2, C.D. 1.

Representatives Nakashima, Keohokalole, Ichiyama and Ward.
Managers on the part of the House.
(Representative Ward was excused.)

Senators Dela Cruz, Tokuda, Ihara, Riviere and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 145 on H.B. No. 547

The purpose of this measure is to ensure that University of Hawaii students receive guidance toward graduation by:

- (1) Requiring the University of Hawaii to explore administrative measures to provide guidance to students to increase the rate of on-time graduation, and to include specific elements if a Graduation Pathway System is developed;
- (2) Requiring the University of Hawaii to submit a report to the Legislature if the University elects to develop a Graduation Pathway System; and
- (3) Appropriating funds to establish the Graduation Pathway System and fund full-time equivalent positions.

This measure also appropriates funds for renovations, repairs, and improvements to the John A. Burns School of Medicine.

Your Committee on Conference finds that elements of a Graduation Pathway System should include:

- (1) Structured, default pathways where, upon choosing a major course of study, students are defaulted into the required classes they need to complete to graduate with a baccalaureate degree in that course of study;
- (2) Academic maps, including a sequential, prescriptive schedule of classes for each meta-major and major course of study;
- (3) An intrusive advising model that includes the use of high school performance and other measures to recommend broad academic pathways and present default pathways for students; and
- (4) Data on the dynamics of the local employment market, including employment availability.

Such a course of study will provide students with guidance to increase the rate of on-time graduation, thereby strengthening educational outcomes for higher education students across the state.

Your Committee on Conference has amended this measure by:

- (1) Specifically requiring the University of Hawaii to provide guidance to students to increase the rate of on-time graduation through the development of a Graduation Pathway System and include specific elements in developing such a system, rather than simply requiring the University to explore administrative measures to achieve these goals;
- (2) Requiring the University of Hawaii to submit a report to the Legislature on its efforts to explore administrative measures to provide guidance to students within the University of Hawaii system to increase the rate of on-time graduation, including updates on progress toward the development of the Graduation Pathway System, rather than requiring a report only if the University of Hawaii elects to develop a Graduation Pathway System;
- (3) Removing the appropriations to fund full-time equivalent positions;
- (4) Appropriating \$500,000 for fiscal year 2015-2016 for the development of the Graduation Pathway System;
- (5) Changing its effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 547, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 547, H.D. 2, S.D. 2, C.D. 1.

Representatives Choy, Yamashita, Aquino, Ichiyama and Matsumoto.
Managers on the part of the House.

Senators Taniguchi, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 146 on H.B. No. 541

The purpose of this measure is to:

- (1) Require each University of Hawaii (UH) campus to prepare a plan for the operation of each program the campus is responsible for administering for each fiscal year;
- (2) Authorize the UH Vice President for Budget and Finance and the Chief Financial Officer (CFO) to establish the form and content of the operations plan;

- (3) Require the UH President and CFO to review and approve the operations plan for each campus, and modify or withhold the planned expenditures of any campus during the appropriations period upon determination by the CFO that the expenditures are in excess of actual need or the funds will be insufficient to meet expenditure levels; and
- (4) Specify that moneys in the University of Hawaii Tuition and Fees Special Fund for each campus shall lapse to the credit of Program ID No. UOH900 (University of Hawaii, System Wide Support).

Your Committee on Conference has amended this measure by:

- (1) Authorizing, rather than requiring, the UH President and CFO to modify or withhold the planned expenditures of any campus during the appropriations period, and not contingent upon any determination by the CFO;
- (2) Changing its effective date to July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 541, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 541, H.D. 1, S.D. 2, C.D. 1.

Representatives Choy, Yamashita, Aquino, Ichiyama and Tupola.
Managers on the part of the House.

Senators Taniguchi, Tokuda and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 147 on H.B. No. 540

The purpose of this bill is to extend the authority of the University of Hawaii to maintain a separate accounting and financial management system that is compatible with State accounting and financial systems.

Your Committee on Conference has amended this bill by:

- (1) Adding statutory language that requires the University to expend legislative appropriations in accordance with the Legislature's intent as expressed in the relevant appropriation vehicles, report to the Legislature to account for funds spent otherwise or left unexpended, and return an amount equal to the funds contained in the report plus related recurring appropriations to the general fund;
- (2) Extending the sunset provisions to June 30, 2018, instead of June 30, 2019;
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency; and
- (4) Changing the effective date to June 29, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 540, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 540, H.D. 1, S.D. 2, C.D. 1.

Representatives Choy, Yamashita, Ichiyama, Kong and Matsumoto.
Managers on the part of the House.

Senators Taniguchi, Inouye, Harimoto, Kahele and Slom.
Managers on the part of the Senate.
(Senators Kahele and Slom were excused.)

Conf. Com. Rep. 148 on H.B. No. 1296

The purpose of this measure is to promote the expansion of hydrogen-based energy in Hawaii by:

- (1) Designating the Director of the Hawaii Center for Advanced Transportation Technologies of the High Technology Development Corporation as the State Hydrogen Implementation Coordinator to facilitate the establishment of hydrogen energy infrastructure and policies; and
- (2) Establishing a Hydrogen Implementation Working Group to be convened by the State Hydrogen Implementation Coordinator and submit a report of the working group's findings and recommendations to the Legislature.

Your Committee on Conference has amended the measure by changing its effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1296, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1296, H.D. 2, S.D. 2, C.D. 1.

Representatives Lee, Keohokalole, Cullen, Ing and Ward.
Managers on the part of the House.
(Representatives Ing and Ward were excused.)

Senators Wakai, Gabbard, English, Green and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 149 on H.B. No. 1471

The purpose of this measure is to address the funding of government programs by:

- (1) Providing for the transfer of moneys from the Environmental Response Revolving Fund into the General Fund if the ending balance exceeds a certain amount at the end of a fiscal year, and deleting provisions requiring certain positions to be funded by the Environmental Response Revolving Fund;
- (2) Making an appropriation to the Legislative Reference Bureau to update its 2002 invasive species study;
- (3) Repealing or forcing the lapse of certain appropriations for fiscal year 2014-2015 that are not expected to be expended; and
- (4) Re-appropriating some of the lapsed appropriations.

Your Committee on Conference has amended this measure by:

- (1) Deleting the provisions related to the transfer of moneys from the Environmental Response Revolving Fund into the General Fund and the funding of certain positions by that Fund;
- (2) Deleting the appropriations for the Hawaii Strategic Development Corporation Revolving Fund for use for the HI-Growth Initiative;
- (3) Deleting the appropriation for the repair and maintenance of facilities of the Department of Education;
- (4) Deleting the appropriation for the repair and maintenance of facilities of the University of Hawaii;
- (5) Deleting the fiscal year 2016-2017 appropriation for the Agricultural Loan Revolving Fund;
- (6) Deleting the appropriation and the authorization to use funds saved from the lapsing of funds from health care payments for the repair and maintenance of state housing facilities of the Hawaii Public Housing Authority; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1471, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1471, H.D. 2, S.D. 2, C.D. 1.

Representatives Lee, Luke, Cullen and Thielen.
Managers on the part of the House.

Senators Gabbard, Baker, Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Kouchi was excused.)

Conf. Com. Rep. 150 on H.B. No. 1509

The purpose of this measure is to reduce energy costs for public facilities in Hawaii by, among other things:

- (1) Requiring the University of Hawaii to establish a collective goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Requiring the University of Hawaii to submit to the Legislature an annual report on the debt service for capital improvement projects funded through a subaccount of the Green Infrastructure Special Fund, the current value of energy saved, the status of pending projects, recommendations for future projects, and overall progress toward the net-zero energy goal; and
- (3) Appropriating funds for capital improvement and energy efficiency projects in furtherance of the net-zero energy goal.

Your Committee on Conference has amended the measure by:

- (1) No longer specifying the manner by which capital improvement projects that advance the University of Hawaii's net-zero energy goal must be funded;
- (2) Decreasing the amount of required information that the University of Hawaii's annual report to the Legislature must contain;
- (3) Requiring the University of Hawaii to make improvements that advance its net-zero energy goal a priority;
- (4) Deleting the appropriations, including for the retrofit of Klum Gym at the University of Hawaii at Manoa;
- (5) Changing the effective date to July 1, 2015; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1509, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1509, H.D. 3, S.D. 2, C.D. 1.

Representatives Lee, Choy, Luke, Ichiyama, Lowen and Matsumoto.
Managers on the part of the House.

Senators Taniguchi, Gabbard, Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senators Tokuda and Slom were excused.)

Conf. Com. Rep. 151 on H.B. No. 444

The purpose of this measure is to support visitor industry-related programs and projects, such as beach restoration and conservation.

More specifically, this measure:

- (1) Allocates transient accommodations tax revenues to the special land and development fund to finance beach restoration and conservation and other activities authorized under section 237D-6.5(b)(5), Hawaii Revised Statutes;
- (2) Enables the effective development and implementation of plans to slow the degradation of Hawaii beaches by including language that provides for the conservation of beaches in pertinent beach restoration statutes; and
- (3) Requires the Department of Land and Natural Resources to coordinate, where appropriate, with the counties and private-public partnerships to restore and conserve beaches.

Your Committee on Conference finds that Hawaii's beaches are an important component of Hawaii's landscape that make the State a unique place for residents and visitors. However, University of Hawaii researchers have recently determined that Hawaii's beaches are disappearing at an alarming rate. Your Committee on Conference believes that the State needs to reinvest in its beaches to conserve one of its most valuable natural resources.

Your Committee on Conference notes that the Legislature has provided funding for the protection, preservation, and enhancement of natural resources in fiscal year 2014-2015. However, for technical reasons, the \$3,000,000 in general funds set aside from the transient accommodations tax revenues under section 237D-6.5(b)(5), Hawaii Revised Statutes, for fiscal year 2014-2015 could not be expended. Your Committee on Conference believes that these moneys should be expended to implement the Legislature's policy decision to support visitor industry-related projects, such as beach conservation and restoration.

Your Committee on Conference has amended this measure by:

- (1) Making the amendments to section 237D-6.5(b), Hawaii Revised Statutes, and other pertinent beach restoration statutes to expand the uses for which transient accommodations tax revenues allocated to the special land and development fund may be used to include beach conservation (Part I), effective July 1, 2016;
- (2) Deleting amendments that would have added language regarding conservation to pertinent beach restoration statutes;
- (3) Deleting the requirement that the Department of Land and Natural Resources coordinate, where appropriate, with counties and private-public partnerships to restore and conserve beaches;
- (4) Appropriating moneys from the general fund to be expended for fiscal years 2014-2015 and 2015-2016 in accordance with section 237D-6.5(b)(5), Hawaii Revised Statutes, for visitor-industry related programs and projects, such as the protection, preservation, maintenance, and enhancement of natural resources, including beaches; and
- (5) Changing the effective date from July 1, 2050, to upon approval, except for the allocation of transient accommodations tax revenues to the special land and development fund, which shall take effect on July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 444, H.D. 3, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 444, H.D. 3, S.D. 2, C.D. 1.

Representatives Yamane, Brower, Cullen, Evans, Lee and Ward.
Managers on the part of the House.
(Representatives Lee and Ward were excused.)

Senators Kahele, L. Thielen, Kouchi, Galuteria and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 152 on H.B. No. 830

The purpose of this measure is to create an exemption from the historic review requirements of section 6E-42, Hawaii Revised Statutes, for proposed projects on privately-owned single-family detached dwelling units that are not designated on or nominated for the Hawaii or National Register of Historic Places, or located in a historic district.

Your Committee on Conference finds that current application of historic preservation law requires review by the State Historic Preservation Division of the Department of Land and Natural Resources prior to the granting of permits for proposed projects on historic properties. However, in certain instances, this requirement has delayed the granting of permits for a period of many months, which has had an adverse effect on the construction industry.

Your Committee on Conference believes that, by exempting certain private residences from the review process, this measure will support the economy by allowing projects on those residences to move forward without unnecessary delays.

Your Committee on Conference has amended this measure by:

- (1) Including townhouses in the proposed exemption and defining the term by reference to its definition in section 502C-1, Hawaii Revised Statutes;
- (2) Clarifying that an application for a proposed project on an existing privately-owned single-family detached dwelling unit or townhouse shall be subject to the requirements of section 6E-42, Hawaii Revised Statutes, only if the single-family detached dwelling unit or townhouse is over fifty years old and:
 - (A) Is listed on the Hawaii or National Register of Historic Places, or both;
 - (B) Is nominated for inclusion on the Hawaii or National Register of Historic Places, or both; or
 - (C) Is located in a historic district;
- (3) Making a conforming amendment to the purpose section of the measure and the title of the proposed statute to reflect the inclusion of townhouses in the exemption;
- (4) Changing the effective date to July 1, 2015; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 830, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 830, H.D. 1, S.D. 1, C.D. 1.

Representatives Yamane, Cullen, Evans and Thielen.
Managers on the part of the House.
(Representative Evans was excused.)

Senators Taniguchi, L. Thielen, Tokuda, Galuteria and Slom.
Managers on the part of the Senate.
(Senators Galuteria and Slom were excused.)

Conf. Com. Rep. 153 on H.B. No. 461

The purpose of this measure is to transfer administrative responsibility for the Office of Information Practices (Office) from the Office of the Lieutenant Governor to the Department of Accounting and General Services, including:

- (1) Establishing the Office as a permanent agency; and
- (2) Clarifying the independence of the Office pursuant to the transfer, including the employment status of the Office's personnel.

Your Committee on Conference has amended this measure by changing the effective date of all sections except section 5 to July 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 461, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 461, S.D. 2, C.D. 1.

Representatives Luke, Johanson and Pouha.
Managers on the part of the House.
(Representative Pouha was excused.)

Senators Keith-Agaran, Dela Cruz, Gabbard, Shimabukuro and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 154 on S.B. No. 101

The purpose and intent of this measure is to enhance budgetary stability and transparency in the appropriation of state funds and to maximize financial resources for tobacco prevention and control.

Specifically, the measure:

- (1) Amends the distribution amounts allocated from the Hawaii tobacco settlement special fund; and
- (2) Appropriates general fund revenues to fund programs and items that were formerly supported by the Hawaii tobacco settlement special fund.

Your Committee on Conference finds that the revenue stream flowing into the Hawaii tobacco settlement special fund has fluctuated over time and that the changing needs of tobacco prevention and control programs have led to significant variations in the allocations from the special fund from year to year. Your Committee on Conference believes that this measure will create greater stability in the State's management of tobacco settlement moneys and will further the State's efforts relating to tobacco prevention and control.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation amounts in section 6 of the measure to \$6,424,410 and \$6,507,305, respectively, and clarifying that the moneys are to be used to fund positions and other operating expenditures in HTH590, chronic disease prevention and health promotion, for the purposes of this measure;
- (2) Providing that funds appropriated in this measure may be transferred with the approval of the Governor to HTH590, chronic disease prevention and health promotion, in the General Appropriations Act of 2015 (H.B. No. 500, H.D. 1, S.D. 1, C.D. 1), for expenditure; and
- (3) Requiring the Department of Health to submit a report to the Legislature on the expenditure of moneys appropriated under section 6 of the measure to fund positions and other operating expenditures in HTH590, chronic disease prevention and health promotion.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 101, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 101, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, Johanson and Pouha.
Managers on the part of the House.

Senators Tokuda, Kouchi and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 155 on S.B. No. 1312

The purpose of this measure is to appropriate moneys to be deposited into:

- (1) The emergency and budget reserve fund to comply with the constitutional mandate to provide a tax refund or credit or make such a deposit; and
- (2) The other post-employment benefits trust fund for the prefunding of health and other benefits plan costs for retirees and their beneficiaries.

Your Committee on Conference finds that when certain economic conditions are met, article VII, section 6, of the Hawaii Constitution requires the Legislature to either provide a tax refund or tax credit to state taxpayers, or to make a deposit into one or more funds to serve as a reserve for the State. This requirement is prompted when the state general fund balances at the end of two successive fiscal years exceed five percent of the state general revenues for those fiscal years. These conditions were met at the end of fiscal years 2012-2013 and 2013-2014. However, your Committee on Conference notes that pursuant to section 328L-3(a)(3), Hawaii Revised Statutes, general funds may only be deposited into the emergency budget and reserve fund when state general fund revenues for each of the two successive fiscal years exceeds revenues for each of the preceding fiscal years by five percent. While the general fund revenues for fiscal year 2012-2013 exceeded the previous year's revenues by more than five percent, the general fund revenues for fiscal year 2013-2014 did not exceed the revenues for fiscal year 2012-2013 by more than five percent. Therefore, although the constitutional provisions have been met, the statutory requirement to make a deposit of general funds into the emergency budget and reserve fund has not.

Your Committee on Conference believes that it is preferable to make a deposit into the emergency and budget reserve fund rather than providing a tax refund or credit. By increasing the reserve fund, the State will be better able to address possible emergencies and contingencies that may occur in the future when state revenues slow down. Your Committee on Conference also finds that compliance with article VII, section 6, of the Hawaii Constitution may still be achieved via a deposit, rather than a tax credit or tax refund, through the enactment of a session law that would have the effect of amending section 328L-3(a)(3), Hawaii Revised Statutes, only for fiscal year 2014-2015.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$10,000,000 from the general revenues to be deposited into the emergency and budget reserve fund;
- (2) Deleting the appropriation to be deposited into the other post-employment benefits trust fund for the prefunding of health and other benefits plan costs for retirees and their beneficiaries; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1312, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1312, S.D. 1, H.D. 1, C.D. 1.

Representatives Luke, DeCoite and Ward.
Managers on the part of the House.

Senators Tokuda, English, Galuteria, Riviere and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 156 on S.B. No. 1299

The purpose and intent of this measure is to address budgetary planning and transparency in the disposition of conveyance tax revenues.

Specifically, the measure:

- (1) Establishes maximum amounts to be distributed to various non-general funds from the conveyance tax;
- (2) Amends the list of non-general funds that receive distributions from the conveyance tax; and
- (3) Appropriates moneys to programs that were formerly supported by the conveyance tax.

Your Committee on Conference finds that budgetary planning and transparency are key components to ensuring the ongoing fiscal health of the State. Your Committee on Conference believes that, by establishing maximum amounts to be distributed to various non-general funds from the conveyance tax, this measure will make forecasts of general fund revenues more reliable, will increase legislative oversight of agencies and programs supported by the non-general funds, and will subject those agencies and programs to competition for limited public funds if the agencies or programs want more than the amount automatically distributed to their non-general funds.

Your Committee on Conference has amended this measure by:

- (1) Replacing or changing and clarifying the measure's appropriation amounts and authorizations to provide funding as follows:
 - (A) Authorizing the Governor to transfer funds appropriated in this measure to the same program ID in the Executive Budget for natural area reserves and watershed management (LNR407);
 - (B) Deleting appropriations for the Humpback Whale Sanctuary co-manager position and ecosystem protection and restoration;
 - (C) Deleting funding for the operations of the Kure Atoll Field Station;
 - (D) Deleting funding for community fisheries enforcement units;
 - (E) Deleting funding for historic preservation positions and equipment;
 - (F) Deleting funding for the digitization of historic preservation records;
 - (G) \$2,832,996 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other operating expenditures in forestry - resource management and development (LNR172) for forest reserve management, natural area partnership, and forest stewardship programs, after joint consultation with the Forest Stewardship Committee and the Natural Area Reserves System Commission, and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (H) \$3,405,749 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other operating expenditures in the native resources and fire protection program (LNR402) for endangered species, watershed, and fire protection and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (I) \$1,500,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the native resources and fire protection program (LNR402) for fire, natural disaster, and emergency response equipment and other current expenses of the native resources and fire protection program;
 - (J) \$4,000,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the native resources and fire protection program (LNR402) to be expended as directed by the Hawaii Invasive Species Council for invasive species programs statewide and authorizing the Hawaii Invasive Species Council to transfer these funds to other state departments to implement the Council's directions;
 - (K) \$1,000,000 for FY 2015-2016 and the same sum for FY 2016-2017 for LNR - natural and physical environment (LNR906) for the Kahoolawe Island Reserve Commission;
 - (L) \$101,715 for FY 2015-2016 and the same sum for FY 2016-2017 to fund positions and other expenditures in LNR - natural and physical environment (LNR906) for administrative operating expenses and authorizing the Governor to transfer these funds to the same program ID in the Executive Budget;
 - (M) \$350,000 for FY 2015-2016 and the same sum for FY 2016-2017 for the funding of soil and water conservation districts in water and land development (LNR141); and
 - (N) \$76,260 for FY 2015-2016 and \$152,520 for FY 2016-2017 to fund positions to support the implementation of the Hawaii ocean resources management plan in ecosystem protection and restoration (LNR401); and
- (2) Changing the effective date to July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1299, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1299, H.D. 1, C.D. 1.

Representatives Yamane, Luke, Johanson and Pouha.
Managers on the part of the House.

Senators Tokuda, Dela Cruz and Kouchi.
Managers on the part of the Senate.

Conf. Com. Rep. 157 on S.B. No. 1180

The purpose of this measure is to ensure that metropolitan planning organizations in Hawaii are in compliance with federal laws by, among other things:

- (1) Creating a new chapter to govern metropolitan planning organizations and repealing chapter 279E, Hawaii Revised Statutes, entitled "Metropolitan Planning Organization";
- (2) Requiring metropolitan planning organizations to submit annual reports to the Legislature;
- (3) Appropriating funds from the state highway fund into the metropolitan planning organization revolving fund; and
- (4) Appropriating funds from the metropolitan planning organization revolving fund to be expended by the Department of Transportation for the purposes of this measure.

Your Committee on Conference finds that federal laws require that metropolitan planning organizations be designated based on a minimum population threshold as defined in federal law to act as a decision-making agency and to receive certain funds for the purpose of carrying out a continuing, cooperative, and comprehensive transportation planning process.

Your Committee on Conference further finds that existing state law conflicts with current federal transportation regulations. This conflict needs to be rectified in order for the Oahu Metropolitan Planning Organization to maintain its federal Transportation Management Area certification. In urban areas containing more than 200,000 residents, the Federal Highway Administration and Federal Transit Administration jointly review and certify metropolitan planning organization operations at least every four years. In 2014, a joint certification review of the Oahu Metropolitan Planning Organization found that portions of the Hawaii Revised Statutes governing metropolitan planning organizations were in conflict with federal regulations and suggested corrective action, including amending state law.

Your Committee on Conference notes that, a failure to address conflicts between state law and federal regulations will result in the decertification of the Oahu Metropolitan Planning Organization which has the immediate effect of the withholding of up to twenty percent of the federal surface transportation funds normally attributable to Oahu, an amount calculated to be around \$12,000,000 annually, which impacts roadway and transit funding.

Your Committee on Conference has amended this measure by:

- (1) Renaming the transportation management area metropolitan planning organization revolving funds to the Oahu transportation area metropolitan planning organization revolving fund;
- (2) Clarifying that the Oahu transportation management area metropolitan planning organization revolving fund shall be administered by the Department of Transportation;
- (3) Adding language to clarify that except as otherwise provided by federal law, expenditures from the Oahu transportation management area metropolitan planning organization revolving fund may be made; provided that no expenditure shall be made from and no obligation shall be incurred against the revolving fund in excess of the amount standing in the revolving fund or for any purpose for which the revolving fund may not lawfully be expended;
- (4) Clarifying that nothing shall require the proceeds of Oahu transportation management area metropolitan planning organization revolving fund to be reappropriated annually;
- (5) Clarifying that the annual reports to the Legislature are due twenty days prior to the convening of each regular session starting with the regular session of 2016;
- (6) Adding language to transfer, upon repeal of chapter 279E, Hawaii Revised Statutes, the balance of monies remaining in the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund, and transferring any expenses and liabilities of the Oahu metropolitan planning organization revolving fund to the Oahu transportation management area metropolitan planning organization revolving fund;
- (7) Inserting an appropriation amount of \$500,000 for fiscal year 2015-2016, to be deposited into the Oahu transportation management area metropolitan planning organization revolving fund for expenditure by the Oahu metropolitan planning organization;
- (8) Deleting the appropriation out of the metropolitan planning organization revolving fund;
- (9) Changing the effective date to July 1, 2015; and
- (10) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1180, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1180, S.D. 2, H.D. 1, C.D. 1.

Representatives Aquino, Cullen, LoPresti and Tupola.
Managers on the part of the House.

Senators Nishihara, Espero, Harimoto, Inouye and Slom.
Managers on the part of the Senate.
(Senators Espero and Slom were excused.)

Conf. Com. Rep. 158 on S.B. No. 213

The purpose of this measure is to require the Department of Public Safety (Department), no later than six months of the effective date of this measure, to send written notice to those defendants who had terms of imprisonment imposed prior to June 18, 2008:

- (1) Notice that the Department may recalculate the multiple terms of imprisonment imposed on the defendant; and
- (2) Notice of the defendant's right to have the court review the defendant's sentence.

Your Committee on Conference finds that prior to 2008, section 706-668.5, Hawaii Revised Statutes, relating to imposition of multiple terms of imprisonment, provided that the terms run consecutively unless the court specifically ordered that the terms run concurrently. Act 193, Session Laws of Hawaii 2008, amended section 706-668.5, Hawaii Revised Statutes, and provided that multiple terms of imprisonment run concurrently unless the court specifically orders that the terms run consecutively. This measure attempts to bring parity to the treatment of defendants sentenced to multiple terms prior to the effective date of Act 193, which is June 18, 2008, and those sentenced to multiple terms after that date while providing defendants with adequate notice regarding the possibility of their multiple terms of imprisonment being recalculated by the Department and their rights to have the court review their sentences.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Department to post written notice in all inmate housing units and the facility library at each correctional facility for a period of two months;
- (2) Requiring the Department to send written notice no later than January 1, 2016, rather than within six months of the effective date of this measure, to defendants with terms of imprisonment imposed prior to June 18, 2008; and
- (3) Inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 213, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 213, S.D. 2, H.D. 3, C.D. 1.

Representatives Takayama, Rhoads, Johanson, Woodson and Tupola.
Managers on the part of the House.
(Representative Woodson was excused.)

Senators Keith-Agaran, Espero, Harimoto, Dela Cruz and Slom.
Managers on the part of the Senate.
(Senator Espero was excused.)

Conf. Com. Rep. 159 on S.B. No. 1083

The purpose of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost adjustments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Hawaii Government Employees Association and the public employers executed a supplemental agreement concerning collective bargaining unit (8). This measure provides costs item amounts for appropriation.

Your Committee on Conference has amended this measure by adopting language submitted by the Governor that:

- (1) Deletes language that appropriates unspecified amounts for salary adjustments and other cost adjustments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017;
- (2) Inserts language that appropriates specific amounts for health premium payments for public employees in collective bargaining unit (8) and their excluded counterparts for fiscal biennium 2015-2017; and
- (3) Makes technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1083, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1083, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 160 on S.B. No. 654

The purpose of this measure is to amend the provisions relating to anonymous contributions by reducing the threshold amount a candidate may receive from ten or more persons at the same political function from \$500 to \$100.

Your Committee on Conference finds that this measure impacts the threshold amount of anonymous contributions from ten or more persons at a fundraiser, which is a limited exception to the rule that generally prohibits anonymous contributions. A reduction in the threshold amount will result in such contributions being listed in disclosure reports for monetary and non-monetary contributions of less than \$100 rather than the Schedule A reports.

Your Committee on Conference has amended this measure by inserting an effective date of January 1, 2016.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 654, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 654, S.D. 1, H.D. 2, C.D. 1.

Representatives Rhoads, Cachola, Tokioka and Thielen.
Managers on the part of the House.

Senators Keith-Agaran, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 161 on S.B. No. 1072

The purpose of this measure is to make an emergency appropriation of an unspecified amount for fiscal year 2014-2015 to the Department of the Attorney General for expenses related to major litigation involving the State.

Your Committee on Conference finds that the Department of the Attorney General anticipates incurring several major litigation expenses for the retention of expert witnesses and specialized legal counsel. This measure will supplement the normal annual litigation budget used by the Department of the Attorney General to fund litigation expenses.

Your Committee on Conference has amended this measure by inserting an amount of \$1,000,000 as an emergency appropriation to the Department of the Attorney General for expenses related to major litigation involving the State.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1072, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1072, H.D. 1, C.D. 1.

Representatives Rhoads, Luke, San Buenaventura and Thielen.
Managers on the part of the House.
(Representative Thielen was excused.)

Senators Keith-Agaran, Tokuda, Ihara, Shimabukuro and Slom.
Managers on the part of the Senate.
(Senators Ihara and Slom were excused.)

Conf. Com. Rep. 162 on S.B. No. 1077

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (2) for fiscal biennium 2015-2017 and their excluded counterparts.

Your Committee on Conference finds that negotiations for collective bargaining unit (2) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining unit (2).

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining unit (2). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1077, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1077, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.
(Senator Shimabukuro was excused.)

Conf. Com. Rep. 163 on S.B. No. 1084

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other items for public employees in collective bargaining unit (9) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that the Governor's office has informed the Legislature that negotiations for collective bargaining unit (9) have been completed and that the State received notice of ratification by collective bargaining unit (9) on April 17, 2015.

Your Committee on Conference has amended this measure by:

- (1) Reflecting the terms of the agreement ratified by collective bargaining unit (9); and
- (2) Making this measure effective on July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1084, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1084, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.
(Senator Shimabukuro was excused.)

Conf. Com. Rep. 164 on S.B. No. 555

The purpose of this measure is to relieve the tax burden on low-income individuals and families by amending the refundable food/excise tax credit.

Specifically, this measure separately sets forth the amount of the tax credit available to taxpayers filing as heads of households or as married couples filing separate or joint returns, and provides unspecified credit per exemption amounts.

Your Committee on Conference finds that Hawaii has the nation's highest cost of living and that the refundable food/excise tax credit was originally devised to alleviate that financial burden. Your Committee on Conference further finds that the refundable food/excise tax credit should be updated to retain value for low-income individuals and working families.

Your Committee on Conference has amended this measure by:

- (1) Inserting credit per exemption dollar amounts;
- (2) Repealing the residency requirement for qualifying for the tax credit; and
- (3) Providing for the repeal of this measure on December 31, 2017.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 555, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 555, S.D. 1, H.D. 1, C.D. 1.

Representatives Johanson, Kobayashi and Pouha.
Managers on the part of the House.

Senators Tokuda, Espero, Riviere, Ruderman and Slom.
Managers on the part of the Senate.
(Senators Ruderman and Slom were excused.)

Conf. Com. Rep. 165 on S.B. No. 160

The purpose of this measure is to:

- (1) Establish the University of Hawaii Quasi-endowment Trust Fund;
- (2) Repeal various non-general funds and accounts that no longer serve their intended purpose and transfer the unencumbered balances to the general fund; and
- (3) Reclassify certain special funds as revolving funds that still serve their intended purpose but function as and meet the criteria as revolving funds.

Your Committee on Conference finds that a recent Auditor's report recommended that the University of Hawaii's quasi-endowment income and scholarship revolving fund be terminated because it did not meet certain statutory criteria. This measure statutorily establishes the fund as a trust fund, thereby meeting the necessary statutory requirements and allowing the University of Hawaii to continue funding the services supported by the University of Hawaii-established quasi-endowment income and scholarship revolving fund.

Your Committee on Conference further finds that timely review and consideration of the University of Hawaii's special funds facilitates the efficient and effective use of State funds and ensures that each non-general fund continues to serve the purpose for which it was created. Accordingly, this measure also reclassifies special funds that are essential to their respective program areas while repealing those found to be no longer necessary or not meeting the criteria for continuance under law.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have reclassified the community colleges special fund as a revolving fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 160, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 160, S.D. 2, H.D. 1, C.D. 1.

Representatives Choy, Jordan, Ichiyama, Yamashita and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Taniguchi, Inouye and Slom.
Managers on the part of the Senate.
(Senator Slom was excused.)

Conf. Com. Rep. 166 on H.B. No. 134

The purpose of this measure is to extend the county surcharge on state general excise and use taxes, which was enacted by Act 247, Session Laws of Hawaii 2005 (Surcharge). Among other things, this measure:

- (1) Caps the maximum authorized Surcharge rate at one-half percent and amends the purposes for which Surcharge revenues may be used;
- (2) Authorizes the extension of the Surcharge by a county that has already adopted an ordinance from January 1, 2023, until December 31, 2027, while limiting the use of Surcharge revenues to capital costs;
- (3) Authorizes counties that have not yet established a Surcharge to do so, subject to certain requirements; and
- (4) Requires certain actions by the board of the transit agency that is constructing the locally preferred alternative for a mass transit project funded by the Surcharge.

After careful deliberation, your Committee on Conference has amended this measure by:

- (1) Delaying the date when an adopted Surcharge may be collected by an additional year to January 1, 2018;
- (2) Clarifying that "public lands" include the air rights over county mass transit projects in the State;
- (3) Removing the requirement that the board of directors of a transit agency constructing a locally preferred alternative for a mass transit project conduct annual audits and submit reports;
- (4) Requiring that the Surcharge cannot be levied prior to:
 - (A) January 1, 2007, if the Surcharge was established by an ordinance adopted prior to December 31, 2005; or
 - (B) January 1, 2018, if the Surcharge was established by an ordinance adopted after June 30, 2015, but prior to July 1, 2016; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 134, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 134, H.D. 1, S.D. 2, C.D. 1.

Representatives Luke, Aquino, Onishi and McDermott.
Managers on the part of the House.
(Representative McDermott was excused.)

Senators Nishihara, Espero, Tokuda, Harimoto and Kouchi.
Managers on the part of the Senate.

Conf. Com. Rep. 167 on S.B. No. 284

The purpose of this measure is to protect and preserve important natural resources in the State by:

- (1) Assisting in the acquisition of a conservation easement in Turtle Bay, Oahu; provided that there is a contract to acquire the Turtle Bay conservation easement by December 31, 2015. Among other things, this measure:
 - (A) Allocates transient accommodations tax (TAT) revenues to the Turtle Bay Conservation Easement Special Fund;
 - (B) Authorizes the Department of Budget and Finance to issue reimbursable general obligation bonds used to acquire the conservation easement;
 - (C) Requires the Department of Budget and Finance to transfer the conservation easement to the Department of Land and Natural Resources; and
 - (D) Annually allocates TAT revenues to the Department of Budget and Finance to reimburse the general fund regarding the reimbursable general obligation bonds; and

- (2) Requiring the Office of Planning to investigate the possible acquisition or exchange of lands owned by Dole Food Company, Inc. for agricultural production.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the Department of Budget and Finance to issue \$35,000,000 in reimbursable general obligation bonds and to deposit the proceeds into the Turtle Bay Conservation Easement Special Fund;
- (2) Appropriating \$35,000,000 out of the Turtle Bay Conservation Easement Special Fund to finance the acquisition of the conservation easement and other real property interests at Turtle Bay, Oahu (Turtle Bay Easement);
- (3) Allocating TAT revenues of \$1,500,000 annually to the Turtle Bay Conservation Easement Special Fund;
- (4) Providing that a nonprofit land conservation organization file an application annually with the Board of Land and Natural Resources requesting \$1,500,000 from the Land Conservation Fund to be used for the reimbursement of debt service on the Turtle Bay reimbursable general obligation bonds;
- (5) Appropriating \$3,000,000 out of the Turtle Bay Conservation Easement Special Fund to reimburse the state general fund for payment of debt service on the reimbursable general obligation bonds;
- (6) Appropriating \$500,000 from TAT revenues to the Department of Land and Natural Resources to pay for appraisal, due diligence, and closing costs relating to the acquisition of the Turtle Bay Easement;
- (7) Removing the provision requiring the Office of Planning to investigate the possible acquisition or exchange of lands owned by Dole Food Company, Inc. for agricultural production;
- (8) Making the provision exempting the Turtle Bay Conservation Easement Special Fund from sections 36-27 and 36-30, Hawaii Revised Statutes, take effect on July 1, 2015; and
- (9) Making other technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee on Conference notes that this measure requires a nonprofit land conservation organization to file an application annually with the Board of Land and Natural Resources requesting a \$1,500,000 grant from the Land Conservation Fund to be used for the reimbursement of debt service on the Turtle Bay reimbursable general obligation bonds until such bonds are fully amortized. Your Committee on Conference understands that the Trust for Public Land will be the nonprofit land conservation organization filing such applications. While one Legislature cannot bind another Legislature, your Committee on Conference respectfully requests that future legislators monitor the diligence and efforts of the Trust for Public Land to secure such grants.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 284, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 284, S.D. 2, H.D. 2, C.D. 1.

Representatives Yamane, Tsuji, Brower, Luke, Cullen, Yamashita and Pouha.
Managers on the part of the House.
(Representative Yamashita was excused.)

Senators Kahele, L. Thielen, Tokuda, English and Slom.
Managers on the part of the Senate.

Conf. Com. Rep. 168 on S.B. No. 1078

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (3) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that negotiations for collective bargaining units (3) and (4) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining units (3) and (4). Your Committee on Conference further finds that although a tentative agreement has not been reached for bargaining unit (14), by law, bargaining unit (14) is entitled to the same terms as bargaining units (3) and (4) until a contract is negotiated.

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining units (3) and (4) and applied to bargaining unit (14). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1078, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1078, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 169 on S.B. No. 1079

The purpose of this measure is to appropriate funds for collective bargaining unit cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (4) and their excluded counterparts for fiscal biennium 2015-2017.

Your Committee on Conference finds that negotiations for collective bargaining units (3) and (4) have been completed and have resulted in a tentative agreement, expected to be ratified, regarding collective bargaining units (3) and (4). Your Committee on Conference further finds that although a tentative agreement has not been reached for bargaining unit (14), by law, bargaining unit (14) is entitled to the same terms as bargaining units (3) and (4) until a contract is negotiated.

Your Committee on Conference has amended this measure to reflect the terms of the tentative agreement, expected to be ratified, with regard to collective bargaining units (3) and (4) and applied to bargaining unit (14). Your Committee on Conference has further amended this measure by inserting an effective date of July 1, 2015.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1079, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1079, S.D. 1, H.D. 1, C.D. 1.

Representatives Nakashima, Luke, Nishimoto and Tupola.
Managers on the part of the House.
(Representative Tupola was excused.)

Senators Keith-Agaran, Tokuda and Shimabukuro.
Managers on the part of the Senate.

Conf. Com. Rep. 170 on H.B. No. 321

The purpose of this measure is to establish a system of medical marijuana dispensaries and cultivation and manufacturing sites in the State.

More specifically, this measure:

- (1) Establishes licensing and regulatory schemes for the operation of dispensaries;
- (2) Requires that an applicant for a dispensary license be a health care provider organized in the State;
- (3) Establishes the following fees:
 - (a) A non-refundable \$25,000 dispensary license application fee;
 - (b) An additional \$75,000 fee for each license approved; and
 - (c) A \$25,000 fee for each retail dispensing location allowed under each approved license;
- (4) Allows qualifying patients from other states to purchase medical marijuana from licensed dispensaries in this State;
- (5) Requires the Department of Health to engage in public education and training regarding medical marijuana;
- (6) Allows the manufacture of certain medical marijuana products;
- (7) Requires the Department of Health to establish standards regarding the advertising and packaging of medical marijuana products;
- (8) Requires the Department of Health to adopt interim rules regarding:
 - (a) Annual audits and reports pertaining to each licensed dispensary;
 - (b) Security requirements for the operation of dispensaries;
 - (c) Standards and criminal background checks for operators and employees of dispensaries;
 - (d) Training and certification of operators and employees of dispensaries;
 - (e) Types of medical marijuana products that dispensaries shall be authorized to grow, manufacture, sell, or provide;
 - (f) Standards and methodologies related to testing medical marijuana products for content, contamination, and consistency;
 - (g) Quantities of manufactured marijuana products that a dispensary may dispense to a qualifying patient or primary caregiver;
 - (h) Inventory controls to prevent the unauthorized diversion of marijuana or the dispensing of quantities that exceed established limits;
 - (i) Destruction or disposal of any marijuana products; and
 - (j) Limitations to the size or format of any signs placed outside a dispensary;
- (9) Requires the Department of Health to adopt rules to implement dispensary licensure and establish standards;

- (10) Prohibits a qualifying patient or primary caregiver from:
- (a) Withholding information regarding prior dispensary visits for the purpose of obtaining quantities of medical marijuana or manufactured marijuana products that exceed established limits; or
 - (b) Obtaining or attempting to procure any medical marijuana or marijuana product from a dispensary by fraud, deceit, embezzlement, forgery, furnishing false information, or altering or unlawfully distributing, possessing, or selling a state-issued medical use of marijuana card;
- (11) Prohibits the use of flammable solvents to extract tetrahydrocannabinol by a dispensary, qualifying patient, or primary caregiver;
- (12) Provides for the revocation and suspension of dispensary licenses for violations;
- (13) Requires dispensaries to comply with all county zoning ordinances, rules, or regulations; specifies that dispensaries shall be permitted in areas where agricultural production is permitted and shall not be permitted within seven hundred fifty feet of a playground, public housing project, or school;
- (14) Requires dispensaries to allow inspections and have annual financial audits conducted;
- (15) Requires the Department of Health to annually report to the Governor and the Legislature on the establishment and regulation of dispensaries;
- (16) Specifies that qualifying patients and primary caregivers shall retain the authority to grow and manufacture an adequate supply of medical marijuana;
- (17) Requires the Department of Health to initiate dialogue with federal and state agencies to identify processes and policies to ensure the privacy of patients and compliance with state laws and regulations;
- (18) Prohibits:
- (a) An unauthorized person to enter or remain at a dispensary;
 - (b) Distribution of marijuana and marijuana products to an unauthorized minor;
 - (c) Failure to securely store marijuana, marijuana products, or marijuana concentrate;
 - (d) Unauthorized diversion of marijuana from a dispensary; and
 - (e) Alteration or falsification of dispensary records;
- (19) Provides law enforcement agencies with access to dispensary records;
- (20) Prohibits any law, county ordinance, or rule from prohibiting the use of land for dispensaries; provided that the land is otherwise zoned for agriculture, manufacturing, or retail purposes;
- (21) Provides that the medical marijuana registry special fund shall include sub-accounts for the deposit of licensing fees collected from dispensaries and production centers, and re-names the special fund the medical marijuana registry and regulation special fund;
- (22) Establishes affirmative defense protections for an owner or employee of a licensed dispensary to a prosecution involving marijuana;
- (23) Provides that an adequate supply of marijuana may include manufactured marijuana products containing the equivalent of four ounces of usable marijuana;
- (24) Clarifies that qualifying medical marijuana patients and primary caregivers may transport medical marijuana in any public place;
- (25) Allows any licensed physician with a bona fide physician-patient relationship with a qualifying patient, rather than only the qualifying patient's primary care physician, to issue a written certification for the use of medical marijuana;
- (26) Establishes a fifteen percent special general excise tax on marijuana sales by a dispensary;
- (27) Establishes a ten percent retail marijuana special sales tax on the gross proceeds of sales by a dispensary;
- (28) Appropriates \$750,000 of general revenues into the medical marijuana registry and regulation special fund;
- (29) Appropriates an unspecified amount from the medical marijuana registry and regulation special fund to implement this measure, including the hiring of full time personnel;
- (30) Provides that by no later than July 1, 2016, the Department of Health is required to establish and commence a repayment plan for the general funds deposited into the medical marijuana registry and regulation special fund; and
- (31) Requires the Director of Health to report and provide an informational briefing no later than March 15, 2016, to the Legislature regarding the implementation of medical marijuana dispensaries.

Your Committee on Conference finds that Hawaii's medical use of marijuana law was enacted on June 14, 2000, as Act 228, Session Laws of Hawaii 2000, to provide medical relief for seriously ill individuals in the State but did not provide a legal way for those individuals to obtain medical marijuana. Many patients who are qualified to use medical marijuana lack the ability to grow their own supply.

Your Committee on Conference also finds that in April of 2014, the Legislature approved House Concurrent Resolution No. 48, House Draft 1, Senate Draft 1, requesting the convening of a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana. A medical marijuana dispensary task force that included health officials, qualifying medical marijuana patients, law enforcement leaders, legislators, and other stakeholders was duly convened and met from June of 2014 to January of 2015 to engage in extensive discussions, examine medical marijuana laws and policies from other states, gather input from experts, and review comprehensive and updated reports by the Legislative Reference Bureau and the State Auditor. The task force voted on and approved thirty-eight recommendations related to the establishment of a regulated statewide dispensary system for medical marijuana.

Your Committee on Conference also finds that the medical marijuana dispensary task force recommendations provided crucial guidance for the formulation of this measure, which also takes into account many suggestions, concerns, and criticisms from other stakeholders.

Your Committee on Conference further finds that licensed medical marijuana dispensaries should be authorized under a vertical integration licensing scheme to cultivate marijuana and manufacture specified medical marijuana products in addition to dispensing medical marijuana and medical marijuana products. Licensing regulations should ensure that licenses are granted to Hawaii residents and to entities that have adequate access to capital, that are organized under the laws of the State, and in which a majority of Hawaii residents exercise control.

Your Committee on Conference has amended this measure by:

- (1) Providing that eight dispensary licenses shall be issued in the State; provided that three shall be issued for the City and County of Honolulu, two shall be issued for the County of Hawaii, two shall be issued for the County of Maui, one shall be issued for the County of Kauai, and none shall be issued for the County of Kalawao;
- (2) Authorizing dispensary licensees to own, operate, or subcontract up to two production centers and up to two retail dispensing locations;
- (3) Deleting the requirement that a licensee be a health care provider;
- (4) Prohibiting any single person from obtaining a dispensary license in more than one county;
- (5) Authorizing the operation of up to two production centers per dispensary license, with a total of not more than three thousand marijuana plants per production center, under each dispensary license;
- (6) Authorizing each dispensary licensee to operate up to two retail dispensing locations under the licensee's license;
- (7) Authorizing each licensee to commence dispensing medical marijuana and manufactured marijuana products on July 15, 2016;
- (8) Prohibiting a dispensary from being located at the same place as a licensee's production center;
- (9) Authorizing the Department of Health to determine, based on qualifying patient need, whether additional licenses shall be offered after October 1, 2017;
- (10) Requiring that each application for a license include both an individual applicant and an applying entity;
- (11) Establishing criteria for license applications to require that an individual applicant:
 - (a) Be a legal resident of the State for not less than five years preceding the date of applicant;
 - (b) Be not less than twenty-one years of age; and
 - (c) Have no felony convictions;
- (12) Establishing criteria for license applications to require that an entity applicant:
 - (a) Be organized under the laws of the State;
 - (b) Have a Hawaii tax identification number;
 - (c) Have a Department of Commerce and Consumer Affairs Business Registration Division number and suffix;
 - (d) Have a federal employer identification number;
 - (e) Be not less than fifty-one percent held by Hawaii legal residents or entities wholly controlled by Hawaii legal residents who have been Hawaii legal residents for at least the five years immediately preceding years;
 - (f) Have at least \$1,000,000 under its control for each license applied for, plus at least \$100,000 available for each retail dispensing location allowed under the license applied for; and
 - (g) Be comprised of principals or members who have no felony convictions;
- (13) Changing the non-refundable application fee from \$25,000 to \$5,000;
- (14) Deleting the \$25,000 fee for each retail dispensing location allowed under each approved license;
- (15) Further specifying license application requirements and verification procedures;
- (16) Providing that an application that has been verified to meet minimal licensing requirements shall be placed in an application pool for further review by the Department of Health and selection based on merit;

- (17) Limiting dispensary operating hours;
- (18) Prohibiting a dispensary from:
 - (a) Providing written certification for the use of medical marijuana;
 - (b) Employing any person under the age of twenty-one;
 - (c) Providing free samples of marijuana or manufactured marijuana products;
 - (d) Allowing the consumption of marijuana or manufactured marijuana products on dispensary premises;
 - (e) Transporting marijuana or manufactured marijuana products to another county or island;
 - (f) Providing off-premises delivery of marijuana or manufactured marijuana products to caregivers or patients; and
 - (g) Displaying marijuana or manufactured marijuana products in public view;
- (19) Establishing certain minimum standards for rules to be adopted by the Department of Health regarding dispensary licensure;
- (20) Establishing certain restrictions for the packaging of manufactured marijuana products;
- (21) Prohibiting the transportation of any medical marijuana or medical marijuana products to, from, or within any federal fort or arsenal, national park or forest, any other federal enclave, or any other property possessed or occupied by the federal government;
- (22) Establishing limits on the size and contents of any signage posted by a dispensary; provided that any law or ordinance that is more restrictive shall govern;
- (23) Deleting the fifteen percent special general excise tax on marijuana sales by a dispensary;
- (24) Deleting the ten percent retail marijuana special sales tax on the gross proceeds of sales by a dispensary;
- (25) Changing the prohibition on the use of flammable solvents to extract tetrahydrocannabinol to instead prohibit the use of butane for that purpose;
- (26) Prohibiting a qualifying patient from obtaining medical marijuana or manufactured marijuana products after December 31, 2018, from any source other than a licensed dispensary or by personally cultivating the marijuana; provided that a primary caregiver may cultivate marijuana after December 31, 2018, for a qualifying patient:
 - (a) Who is a minor or an adult lacking legal capacity and the primary caregiver is the parent, guardian, or person having legal custody over that minor or person; or
 - (b) Who is located on any island on which there is no licensed medical marijuana dispensary;
- (27) Expanding the definition of "debilitating medical condition" for purposes of authorizing medical marijuana use to include post-traumatic stress disorder;
- (28) Deleting the prohibition on the failure to securely store marijuana, marijuana products, or marijuana concentrate;
- (29) Prohibiting unauthorized access to production center premises;
- (30) Expanding the Department of Health's authority to conduct criminal background checks;
- (31) Inserting \$750,000 as the amount appropriated from the medical marijuana registry and regulation special fund to implement this measure, including the hiring of full time personnel; and
- (32) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 321, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 321, H.D. 1, S.D. 2, C.D. 1.

Representatives Belatti, Rhoads, Luke, San Buenaventura, Takayama and Fukumoto Chang.
Managers on the part of the House.

Senators Espero, Keith-Agaran, Tokuda, Gabbard and Ihara.
Managers on the part of the Senate.