

ELEVENTH DAY

Friday, February 3, 2017

The House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2017, convened at 12:07 o'clock p.m., with Vice Speaker Mizuno presiding.

The invocation was delivered by Pastor David "Waxer" Tipton of One Love Ministries, after which the Roll was called showing all Members present.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Ninth and Tenth Days was deferred.

DEPARTMENTAL COMMUNICATIONS

The following departmental communications (Dept. Com. Nos. 209, and 225 through 271) were received by the Clerk and were placed on file:

Dept. Com. No. 209, from the Department of Land and Natural Resources, dated December 1, 2016, transmitting the report, Improve Public Beach Access for Persons with Disabilities in Hawaii, pursuant to H.C.R. No. 141, HD 1, SD 1 (2015).

Dept. Com. No. 225, from the City and County of Honolulu Police Department, dated January 30, 2017, transmitting the Honolulu Police Department Legislative Disciplinary Report, Reporting Year: 2016, pursuant to Section 52D-3.5, HRS.

Dept. Com. No. 226, from the Department of Business, Economic Development & Tourism, dated December 30, 2016, transmitting the report, Regarding Motion Picture, Digital Media and Film Production Income Tax Credit, Actual Figures for Calendar Years 2013-2015, pursuant to Section 235-17, HRS.

Dept. Com. No. 227, from the Department of Health, dated January 4, 2017, transmitting the report, Sanitation Branch Annual Audit, and Sanitation and Environmental Health Special Fund, Fiscal Year 2016, pursuant to Chapters 321-27.5 and Chapter 321-27, HRS.

Dept. Com. No. 228, from the Department of Health, dated January 4, 2017, transmitting the State Council on Mental Health Annual Report on Implementation of the State Plan, pursuant to Section 334-10(e), HRS.

Dept. Com. No. 229, from the Department of Business, Economic Development & Tourism, dated January 4, 2017, transmitting the report, Regarding Estimated Motion Picture, Digital Media and Film Production Income Tax Credit, for Calendar Year 2016, pursuant to Section 235-17, HRS.

Dept. Com. No. 230, from the Department of Health, dated January 5, 2017, transmitting the Annual Report Summarizing Yearly Data on Forensic Patients at Hawaii State Hospital, pursuant to Section 334-16, HRS.

Dept. Com. No. 231, from the Department of Health, dated January 6, 2017, transmitting the Annual Report on Dental Health Activities, Expenditures, and Recommendations, pursuant to Section 321-63, HRS.

Dept. Com. No. 232, from the Department of Business, Economic Development & Tourism, dated January 6, 2017, transmitting the annual report, State of Hawaii Offices in Taipei and Beijing, pursuant to Section 201-84, HRS.

Dept. Com. No. 233, from the Department of Transportation, dated January 6, 2017, transmitting the report, Customer Facility Charge from Act 226 Session Laws of Hawaii 2008, pursuant to Section 261-7, HRS.

Dept. Com. No. 234, from the Department of Land and Natural Resources, dated January 6, 2017, transmitting the report, Land Dispositions Made of Public Lands for Calendar Year 2016, pursuant to Section 171-29, HRS.

Dept. Com. No. 235, from the Department of Health, dated January 9, 2017, transmitting the Annual Report of the Activities of the Board of Certification of Operating Personnel in Wastewater Treatment Facilities, Fiscal Year 2015-2016, pursuant to Section 340B-12, HRS.

Dept. Com. No. 236, from the Department of Health, dated January 9, 2017, transmitting the report, Primary Care Incentive Program, pursuant to Section 321-1.5(6), HRS.

Dept. Com. No. 237, from the Department of Health, dated January 9, 2017, transmitting the Annual Report on the Receipt and Expenditures from the Trauma System Special Fund, pursuant to Section 321-22.5(g), HRS.

Dept. Com. No. 238, from the Department of Health, dated January 9, 2017, transmitting the Annual Report on the Receipt and Expenditures from the Emergency Medical Services Special Fund, pursuant to Section 321-234(d), HRS.

Dept. Com. No. 239, from the Department of Health, dated January 9, 2017, transmitting the Annual Report Relating to MH-1s and Hospitalizations of Persons Who are Under an Order to Treat, pursuant to Section 334-123, HRS.

Dept. Com. No. 240, from the Department of Health, dated January 9, 2017, transmitting the Annual Report on the Receipt and Expenditures from the Emergency Medical Services Special Fund, pursuant to Section 321-234(d), HRS, re-sending with corrected Leg Report.

Dept. Com. No. 241, from the Department of Health, dated January 9, 2017, transmitting the Annual Report on the Receipt and Expenditures from the Trauma System Special Fund, pursuant to Section 321-22.5(g), HRS, 1/18/17 re-sending with corrected Leg Report.

Dept. Com. No. 242, from the University of Hawaii System, dated January 10, 2017, transmitting the Annual Report from the Hawaii Natural Energy Institute, pursuant to Section 304A-1891, HRS.

Dept. Com. No. 243, from the University of Hawaii System, dated January 10, 2017, transmitting a Report on Filling of Temporary Unbudgeted Positions, pursuant to Act 119, Section 128, SLH 2015.

Dept. Com. No. 244, from the Department of Agriculture, dated January 10, 2017, transmitting the Department of Agriculture Annual Report, pursuant to Act 100, SLH 1999.

Dept. Com. No. 245, from the Department of Agriculture, dated January 10, 2017, transmitting the Report on the Transfer of Agricultural Loan Monies, pursuant to Sections 155-14 and 219-4, HRS.

Dept. Com. No. 246, from the Department of Agriculture, dated January 10, 2017, transmitting the Annual Report on Administratively Established Appropriations, pursuant to Act 178, SLH 2002.

Dept. Com. No. 247, from the Department of Agriculture, dated January 10, 2017, transmitting the Annual Report on the Agricultural Development and Food Security Special Fund, pursuant to Act 73, SLH 2010.

Dept. Com. No. 248, from the Department of Agriculture, dated January 10, 2017, transmitting the Annual Report on the Biosecurity Program, pursuant to Act 236, SLH 2008.

Dept. Com. No. 249, from the Department of Agriculture, dated January 10, 2017, transmitting the Report on the State's Progress Toward Meeting the Milestones and Objectives of the Energy Feedstock Program, pursuant to Act 159, SLH 2007.

Dept. Com. No. 250, from the Department of Agriculture, dated January 10, 2017, transmitting the Report on the State's Progress Toward Meeting the Milestones and Objectives of Important Agricultural Land Tax Credit Program, pursuant to Act 233, SLH 2008.

Dept. Com. No. 251, from the Department of Agriculture, dated January 10, 2017, transmitting the Report on all Moneys Deposited into and Disbursed from the Pesticide Use Revolving Fund, pursuant to Act 154, SLH 2000.

Dept. Com. No. 252, from the Department of Agriculture, dated January 10, 2017, transmitting the Report on the Feasibility of Both Decommissioning and Relocating the Animal Quarantine Station in Halawa Valley, pursuant to H.C.R. No. 34 (2016).

Dept. Com. No. 253, from the Department of Agriculture, dated January 10, 2017, transmitting the Progress Report on the 2016 Budget Provisos, pursuant to Act 124, SLH 2016.

Dept. Com. No. 254, from the Department of the Attorney General, dated January 12, 2017, transmitting the Report on Litigation Deposits Trust Fund Transactions and Collections Made on Behalf of Other Departments and Agencies for Fiscal Year 2015-2016, pursuant to Section 28-16(e)(2), HRS.

Dept. Com. No. 255, from the Department of Human Services, dated January 12, 2017, transmitting the Final Report of the Act 243 Working Group on Government Identification, pursuant to Act 243, SLH 2015.

Dept. Com. No. 256, from the Department of Health, dated January 13, 2017, transmitting the report, State Water Pollution Control Revolving Fund, pursuant to Section 342D-82, HRS.

Dept. Com. No. 257, from the Department of Health, dated January 13, 2017, transmitting the Report on Cigarette Tax Revenue, pursuant to Act 86, SLH 2016.

Dept. Com. No. 258, from the Department of Health, dated January 13, 2017, transmitting the Annual Report on the Mental Health and Substance Abuse Special Fund, pursuant to Section 334-15, HRS.

Dept. Com. No. 259, from the Department of Health, dated January 17, 2017, transmitting the Report on Hawaii State Hospital Budget, pursuant to Section 16.4, HRS.

Dept. Com. No. 260, from the Board of Education, dated January 17, 2017, transmitting the annual report on the State's public charter schools, pursuant to H.B. No. 1700, HD 1, SD 1, CD 1, Part III, Section 164, SLH 2016.

Dept. Com. No. 261, from the University of Hawaii System, dated January 18, 2017, transmitting a Report on Filling of Temporary Unbudgeted Positions, pursuant to Act 119, Section 128, SLH 2015.

Dept. Com. No. 262, from the Hawaii Health Systems Corporation, dated January 19, 2017, transmitting the report, Hawaii Health Systems Corporation Annual Audit and Report for FY2016, pursuant to Section 323F-22(a) and (b), HRS.

Dept. Com. No. 263, from the Department of Health, State Environmental Council, dated January 20, 2017, transmitting the 2015-2016 Annual Report, Ocean 'Ōhia 'Ōhana, Shifting the Paradigm of Measuring Sustainability, pursuant to Section 341-6, HRS.

Dept. Com. No. 264, from the Department of Labor and Industrial Relations, dated January 20, 2017, transmitting the FY 2015-2016 Workforce Development Council Annual Report, pursuant to Section 202-2(8), HRS.

Dept. Com. No. 265, from the Department of Labor and Industrial Relations, dated January 20, 2017, transmitting the report, Annual Evaluation of the Hawaii Unemployment Compensation Trust Fund, pursuant to Section 383-126.5, HRS.

Dept. Com. No. 266, from the Department of Labor and Industrial Relations, dated January 20, 2017, transmitting the Hoisting Machine Operators Advisory Board Report, pursuant to Act 74, SLH 2016.

Dept. Com. No. 267, from the Department of Labor and Industrial Relations, dated January 20, 2017, transmitting the Hoisting Machine Operators Advisory Board Annual Report for the Fiscal Year Ending June 30, 2016, pursuant to Section 396-20, HRS.

Dept. Com. No. 268, from the University of Hawaii System, dated January 24, 2017, transmitting a Report on Filling of Temporary Unbudgeted Positions, pursuant to Act 119, Section 128, SLH 2015.

Dept. Com. No. 269, from the Department of Health, dated January 25, 2017, transmitting the Environmental Response and Community Knowledge Report, Environmental Response Law and Hawaii Emergency Planning and Community Right to Know Act Financial and Environmental Site Information FY2016, pursuant to Chapters 128D and 128E, HRS.

Dept. Com. No. 270, from the Department of Business, Economic Development & Tourism, dated January 30, 2017, transmitting the report, State of Hawaii, Hawaii Housing Finance and Development Cooperation Financial and Compliance Audit, pursuant to Section 201H-21, HRS.

Dept. Com. No. 271, from the Department of Defense, Office of the Adjutant General, dated January 24, 2017, transmitting the Disabled Veterans' Motor Vehicle Registration Fee Exemption Report, pursuant to Act 128, SLH 2015.

INTRODUCTIONS

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

Representative Belatti introduced Professor Eva Shing and students from the Kapiolani Community College Occupational Therapy Assistant Program.

Representative Lee introduced Kailua residents: Mr. Matt Dickson, son Jett Dickson, and son Dash Dickson who was here to earn his Boy Scout merit badge for Citizenship of the Nation.

Representative Ing introduced Mr. and Mrs. Demont and Momi Conner, advocates for Native Hawaiian rights.

Representative Gates wished a Happy Birthday to Representative Chris Todd.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative Morikawa, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 12) recommending that H.B. No. 693, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 693, HD 1 pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 693, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROGRAMS FOR HIGH RISK YOUTH," passed Second Reading and was referred to the Committee on Finance, with Representative McDermott voting aye with reservations.

Representative Morikawa, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 13) recommending that H.B. No. 674, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 674, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD CARE PROVIDERS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative Morikawa, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 14) recommending that H.B. No. 684, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 684, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," passed Second Reading and was referred to the Committee on Judiciary.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 15) recommending that H.B. No. 186, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 186, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COFFEE BERRY BORER BEETLE," passed Second Reading and was referred to the Committee on Finance.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 16) recommending that H.B. No. 781 pass Second Reading and be referred to the Committee on Higher Education.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 781 pass Second Reading and be referred to the Committee on Higher Education, seconded by Representative Evans.

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

"Mr. Speaker, may I get a ruling on a potential conflict of interest? My wife works for the university system," and the Chair ruled, "no conflict."

Representative Onishi continued, stating:

"Can this ruling apply for the rest of the session?"

The Chair then stated:

"It can, it shall."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 781, entitled: "A BILL FOR AN ACT RELATING TO THE P-20 AGRICULTURE EDUCATION WORKING GROUP," passed Second Reading and was referred to the Committee on Higher Education.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 17) recommending that H.B. No. 783 pass Second Reading and be referred to the Committee on Judiciary.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 783 pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"Not sure if it applies, but if I could have a ruling on a potential conflict? My family has a farm. Thank you," and the Chair ruled, "no conflict."

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

"Thank you, Mr. Speaker. I guess I should do this too then as a farmer, a potential conflict," and the Chair ruled, "no conflict."

Representative DeCoite continued, stating:

"Can I have this apply to the rest of the session?" and the Chair "so ordered."

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

"Ruling on a conflict? My family is also a farming family," and the Chair ruled, "no conflict."

Representative San Buenaventura continued, stating:

"Can this be applied for the rest of the session?" and the Chair "so ordered."

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

"As the Chair of Agriculture and a farmer, I'd ask for the same dispensation."

The Chair addressed Representative Creagan, stating:

"So ordered, no conflict, and it will remain for the remainder of the session."

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

"Just in case, my in-laws are farmers. Can I get the same request? By the way, I don't make any money off of them."

The Chair addressed Representative Yamane, stating:

"No conflict, and it will remain for the remainder of the session."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 783, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Judiciary.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 18) recommending that H.B. No. 1007 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1007, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Finance.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 19) recommending that H.B. No. 1013 pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1013, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES PROGRAM ADMINISTRATION," passed Second Reading and was referred to the Committee on Energy & Environmental Protection.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 20) recommending that H.B. No. 1017 pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1017, entitled: "A BILL FOR AN ACT RELATING TO THE PESTICIDE USE

REVOLVING FUND," passed Second Reading and was referred to the Committee on Energy & Environmental Protection.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 21) recommending that H.B. No. 780 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 780, entitled: "A BILL FOR AN ACT RELATING TO NUTRIENT CYCLING," passed Second Reading and was referred to the Committee on Finance.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 22) recommending that H.B. No. 427, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 427, HD 1, entitled: "A BILL FOR AN ACT RELATING TO DARK NIGHT SKIES PROTECTION," passed Second Reading and was referred to the Committee on Higher Education.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 23) recommending that H.B. No. 904, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 904, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVASIVE SPECIES," passed Second Reading and was referred to the Committee on Finance.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 24) recommending that H.B. No. 255, as amended in HD 1, pass Second Reading and be referred to the Committee on Agriculture.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 255, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LOCALLY GROWN FOOD," passed Second Reading and was referred to the Committee on Agriculture.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 25) recommending that H.B. No. 547, as amended in HD 1, pass Second Reading and be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 547, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 26) recommending that H.B. No. 470, as amended in HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 470, HD 1 pass Second Reading and be referred to the Committee on Labor & Public Employment, seconded by Representative Evans.

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

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

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

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

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

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

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 470, HD 1, entitled: "A BILL FOR AN ACT RELATED TO PUBLIC LIBRARIES," passed Second Reading and was referred to the Committee on Labor & Public Employment, with Representatives Choy, Creagan, DeCoite, Har, Matsumoto, Morikawa, Oshiro, Tokioka and Tupola voting aye with reservations.

Representative Nakashima, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 27) recommending that H.B. No. 398, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 398, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Evans.

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

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

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

"A no vote please, brief comment. I think that, because we always talk about cost of living, so many people depend on online sales in order to kind of offset that, especially Amazon Prime, which is amazing. And I just wanted to say that the Chamber of Commerce weighed in and said that it'll level the playing field, but we could also level it by repealing the GE for local businesses, and I support that, so I just want to thank the introducer and compliment him on his beautiful hair. Thank you."

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

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

"Mr. Speaker, no vote and brief comment, please. Mr. Speaker, I call this the big brother retail bill. It's come back to visit us again, and I know the Representative from Manoa is very fond of it. However, it's come up and went down a number of times, and primarily for a couple of reasons.

"The first is that it's borderline privacy for the sake of getting more taxation, and there's a number of issues in the courts which will decide this. Not that they should be getting a free ride, but that eventually this is going to be decided, and the more we allow savings to the State, where the cost of living is the highest in the nation, the better our constituents are, Mr. Speaker.

"The other reason is that, we keep saying this is going to even the playing field. Well, having been a retailer before I was in office, 15 years in Waikiki, any time anybody came to our store or called our store or visited our store or re-visited our store, and we sent the product to the mainland, there's an exemption on the GET tax form that says you don't have to pay the GE tax. So the playing field is even in the sense that every retailer in Hawaii can sell to the market on the mainland, which is even bigger than our market, and they don't have to pay taxes, but they're complaining about people on the mainland who are selling here, and they have to pay taxes.

"It's an even playing field because everybody who's in business should by now, and if they're not, they're not a real retailer, everybody should be on the Internet. Everybody should be doing on-line sales.

"Other than that, Mr. Speaker, the speaker of my house says, leave my Amazon Prime alone. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. In strong support. This bill merely helps the collection of taxes that are already due. It is not a new tax, it's a tax that's already old. And I think I said this many, many years ago, that the people who oppose this type of legislation to help collect taxes that are already due are called tax cheats. But I'm not accusing my good friend from Hawaii Kai to be a tax cheat, but maybe he just misunderstands the term.

"But again, colleagues, we need the taxes from internet sales. The state tax director, in a Finance hearing, said the collection of general excise taxes from retail stores were flat. Unfortunately, she had no clue on why that was, and I told her, have you heard of a company called Amazon? So hopefully she's listening, and she knows that about 40% of our sales, our holiday sales, now are done online.

"If we continue not to collect these taxes, then guys, we're going to have to get a tax increase to make up for it, our schools will suffer, human services will suffer. How are we going to do this? This bill merely helps collect the taxes that are due. Thank you, Mr. Speaker."

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

"After that wonderful speech, no vote, please."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 398, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Fukumoto, Matsumoto, McDermott, Thielen, Tupola and Ward voting no.

Representative Ing, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 28) recommending that H.B. No. 910 pass Second Reading and be referred to the Committee on Education.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 910, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN EDUCATION," passed Second Reading and was referred to the Committee on Education.

Representative Ing, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 29) recommending that H.B. No. 908 pass Second Reading and be referred to the Committee on Water & Land.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 908 pass Second Reading and be referred to the Committee on Water & Land, seconded by Representative Evans.

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

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

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 908, entitled: "A BILL FOR AN ACT RELATING TO THE RIGHT OF FIRST REFUSAL FOR THE DISPOSITION OF REMNANTS," passed Second Reading and was referred to the Committee on Water & Land, with Representatives DeCoite and LoPresti voting aye with reservations.

Representative Ing, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 30) recommending that H.B. No. 451 pass Second Reading and be referred to the Committee on Judiciary.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 451 pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

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

"Mr. Speaker, strong support. Mr. Speaker, I know there's a rather high threshold to stand up and speak on second reading, but this bill is a 96-year-old bill, if you will, in the sense that, in 1920, the U.S. Congress approved the Hawaiian Homes Act. It said that with 200,000 acres we will return some land to the Hawaiians which was either taken or stolen or otherwise they were displaced.

"Unfortunately, after 96 years of this act, there are only about 9,600 leases that have been given, and there are 27,000 on the waitlist for a home. We have a report that there's just about 57,000 Hawaiians left who are eligible for Hawaiian homes.

"What this bill does, for the descendants of those on the land, allows for their blood quantum to go from 25% down to 1/32nd. It allows the Hawaiians to stay on the land, which is very important, which basically if you look at it has been a broken promise for the last 96 years, Mr. Speaker. This is a very compassionate, economic, social, political, cultural bill, of which I'm hoping will just be the beginning, that we will roll back all of these things that have been promised to the Hawaiians that have never been given, Mr. Speaker. This is one small step. Thank you."

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

"Reservations. I fear that this can favor the haves over the have-nots, the lessees over those who have been waiting, 27,000 people still waiting. That's why. Thanks."

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

"Mr. Speaker, in strong support. This bill is to address the selling of lands that evade the list, and the reason why that has happened is because of the blood quantum and the successorship. It is in no means to get away from that list of people that are there, because when you start running out of blood quantum, you start to sell it so that you can find money to put a fee simple down on other land, and to remove these Native Hawaiians from those lands. For those reasons, I'm in strong support of this bill. Thank you, Mr. Speaker."

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

"In strong support. I just want to *mahalo* my fellow Representative from Maui for introducing this bill and being a stalwart advocate for DHHL. I also want to say that my original concerns were that this sort of measure may pit beneficiaries against waitlisters. From working on this bill for two years now, we see that that's simply not the case.

"If you talk to a waitlister, nobody wants to get their homesteads awarded to them by displacing other Hawaiian families. I've never seen that once so far, and it doesn't make sense. These are homes that are established, they've raised their kids there, it's full of stuff. What we need to do is build more homes for everyone, if we want to address the waitlist problem. So what

happens is, after they can't hand it down, it doesn't even go to a waitlister, it usually ends up going out to sale, or for some other purpose, and that's very unfortunate.

"The other criticism was that it was the intent of the homesteads act to rehabilitate Native Hawaiians so they can re-integrate after a couple of generations into the American capitalist system. I do not think that was Prince Kuhio's intent. In fact, it was to set aside land in order to perpetuate Hawaiian culture for future generations. These families that have been living on these plots of land are still practicing traditional ways of living, and we as a body should not be displacing them.

"Lastly, the whole system of blood quantum was created to be unsustainable. There's a good book about it called Hawaiian Blood, written as a dissertation I think by Blaisdell a few years ago, and I encourage everyone to read it where, it's a system that's designed to, as generations go on, that ultimately you're going to have to give up your land.

"As long as there's portions of land set aside for Hawaiians, then we should make sure that it doesn't really matter how much blood quantum somebody has. If they can trace their lineage back to pre-colonial days and have a commitment to perpetuating our lifestyle, then, by all means, they should be awarded the land. Nowadays, we have a few folks that are homesteaders that want to see their grandchildren take over their land and continue their way of life. *Aloha.*"

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

"Thank you, Mr. Speaker. In strong support. Permission to enter the comments of the Representative from Molokai as if they were my own," and the Chair "so ordered." (By reference only.)

Representative Tupola continued, stating:

"And just a brief comment, I wanted to *mahalo* also the Representative from Maui for his work and his insight on the bill. I think the blood quantum and the successorship issue has long needed to be addressed, because eventually it will phase out Hawaiians from owning their own lands. And so I'm glad to see this bill pushed along, and I'm glad that whatever issues were there have been worked out. And I do agree that no Hawaiian wants to displace another one, but we want to see more housing, so that we can keep the land and keep the people from Hawaii here on their own land. Thank you."

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

"Thank you, Mr. Speaker. I, like the Representative from Ewa Beach, in the last session, was also concerned. In my district I've actually seen Hawaiians where the birth certificate says 100%, pure. I also was concerned as to whether or not it is the waitlisters versus the homesteaders, and it was only after I started talking to my constituents—"

At 12:31 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:32 o'clock p.m.

Representative San Buenaventura continued, stating:

"Thank you, Mr. Speaker. Basically, I also have the concerns of the Representative of Ewa Beach. I am not Hawaiian. My constituents, I have a huge constituent base who are Hawaiians, and I did talk to them. And like my fellow Representative from Ewa Beach, I was concerned about these huge waitlists. But the Representative from Kihei's remarks, as well as the Representative from Molokai's remarks, resounded in my constituent bases.

"They were concerned that the property that they end up having to mortgage because they're building these houses are not being passed on. They are being forced to sell, and they are being forced to sell to people who are not on the waitlist to get the highest and best price, so that they would be able to move on. And I agree that there needs to be something done with

the waitlist. We need to cut that waitlist down. However, it should not be on the backs of the people who have to put on the mortgage to put on these houses, and for these reasons, I am in support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 451, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT," passed Second Reading and was referred to the Committee on Judiciary, with Representative LoPresti voting aye with reservations.

At this time, the Chair stated:

"For the edification of the members, these bills are short form bills, to recommit the short form bills, so purely a procedural motion."

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 31) recommending that H.B. No. 774, as amended in HD 1, be recommitted to the Committee on Agriculture.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 774, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," was recommitted to the Committee on Agriculture.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 32) recommending that H.B. No. 775, as amended in HD 1, be recommitted to the Committee on Agriculture.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 775, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," was recommitted to the Committee on Agriculture.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 33) recommending that H.B. No. 776, as amended in HD 1, be recommitted to the Committee on Agriculture.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 776, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," was recommitted to the Committee on Agriculture.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 34) recommending that H.B. No. 778, as amended in HD 1, be recommitted to the Committee on Agriculture.

On motion by Representative Saiki, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 778, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," was recommitted to the Committee on Agriculture.

ANNOUNCEMENTS

Representative Keohokalole: "There is another birthday I'd like to recognize, my committee clerk upstairs, Anthony. It's his birthday as well, so I'd like to wish him a happy birthday. Thank you, Mr. Speaker."

COMMITTEE REASSIGNMENTS

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

<u>H.B. Nos.</u>	<u>Re-referred to:</u>
149	Committee on Judiciary, then to the Committee on Finance
774, HD1	Committee on Agriculture, then to the Committee on Finance

- 775, HD1 Committee on Agriculture, then to the Committee on Consumer Protection & Commerce
- 776, HD1 Committee on Agriculture, then to the Committee on Water & Land
- 778, HD1 Committee on Agriculture, then to the Committee on Housing
- 1088 Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Finance
- 1406 Committee on Health, then to the Committee on Judiciary, then to the Committee on Finance
- 1525 Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Finance

ADJOURNMENT

At 12:36 o'clock p.m., on motion by Representative Evans, seconded by Representative Ward and carried, the House of Representatives adjourned until 12:00 o'clock noon Monday, February 6, 2017. (Representative Say was excused.)