

TWELFTH DAY

Monday, February 5, 2018

The House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018, convened at 12:01 o'clock p.m., with Vice Speaker Nakashima presiding.

The invocation was delivered by Mr. Charles Hew-Len of the Hew-Len Group, after which the Roll was called showing all Members present with the exception of Representatives Ing, Souki and Todd, who were excused.

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

INTRODUCTIONS

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

Representative Gates introduced Mr. Charles Hew-Len, CEO, Hew-Len Group, his mother, Lam Thi Hew-Len, and daughter, Kryshana Mendonca; and Mr. Nick Hughey, COO, Waianae Coast Comprehensive Center. They were accompanied by Representative Gates's staff, Rockne Mawae, Ed Burke, Phil Meleisea and Benjamin Gates.

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

The House of Representatives reconvened at 12:20 o'clock p.m.

At 12:20 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:21 o'clock p.m.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 38-18) recommending that H.B. No. 2089, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2089, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TUITION ASSISTANCE," passed Second Reading and was referred to the Committee on Higher Education, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 39-18) recommending that H.B. No. 1965, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 1965, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS TREATMENT COURT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 40-18) recommending that H.B. No. 1529, as amended in HD 1, pass Second Reading and be referred to the Committee on Housing.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 1529, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Housing, with Representatives Souki and Todd being excused.

Representative Ohno, for the Committee on Intrastate Commerce, presented a report (Stand. Com. Rep. No. 41-18) recommending that H.B. No. 1618, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 1618, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONTRACTORS LICENSE BOARD," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Souki and Todd being excused.

Representative Ohno, for the Committee on Intrastate Commerce, presented a report (Stand. Com. Rep. No. 42-18) recommending that H.B. No. 2449, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 2449, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Morikawa.

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

"Mr. Speaker, I'd like to ask for a ruling on a potential conflict. My employer could possibly bid on this broadband service, and that is the conflict, Mr. Speaker," and the Chair ruled, "no conflict."

Representative Tokioka continued, stating:

"And Mr. Speaker, could that hold through for the rest of the session?"

The Chair addressed Representative Tokioka, stating:

"Yes."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2449, HD 1, entitled: "A BILL FOR AN ACT RELATING TO BROADBAND ACCESS FOR SENIORS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Souki and Todd being excused.

Representative Ohno, for the Committee on Intrastate Commerce, presented a report (Stand. Com. Rep. No. 43-18) recommending that H.B. No. 2257, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VIRTUAL CURRENCY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Souki and Todd being excused.

Representative Takayama, for the Committee on Public Safety, presented a report (Stand. Com. Rep. No. 44-18) recommending that H.B. No. 2454 pass Second Reading and be referred to the Committee on Economic Development & Business.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2454, entitled: "A BILL FOR AN ACT RELATING TO HAWAII CORRECTIONAL INDUSTRIES," passed Second Reading and was

referred to the Committee on Economic Development & Business, with Representatives Souki and Todd being excused.

Representative Takayama, for the Committee on Public Safety, presented a report (Stand. Com. Rep. No. 45-18) recommending that H.B. No. 2675 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2675, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MANAGEMENT," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Souki and Todd being excused.

Representative Takayama, for the Committee on Public Safety, presented a report (Stand. Com. Rep. No. 46-18) recommending that H.B. No. 1993, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 1993, HD 1 pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Morikawa.

Representative Thielen 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. 1993, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Second Reading and was referred to the Committee on Judiciary, with Representative Thielen voting aye with reservations, and with Representatives Souki and Todd being excused.

Representative Brower, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 47-18) recommending that H.B. No. 2358, as amended in HD 1, pass Second Reading and be referred to the Committee on Water & Land.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2358, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Water & Land, with Representatives Souki and Todd being excused.

Representative Brower, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 48-18) recommending that H.B. No. 1712, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 1712, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Souki and Todd being excused.

Representative Brower, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 49-18) recommending that H.B. No. 1619, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 1619, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Morikawa.

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

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

"With reservations and comments. Mr. Speaker, I'm concerned about the impact that this bill will have on the ability of local financial institutions to access the secondary mortgage market, specifically Fannie Mae and Freddie Mac. I think that will further make it more difficult to reach the goal of homeownership in Hawaii. Thank you."

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

"Mr. Speaker, no vote with a brief comment. Mr. Speaker, \$1 on the mainland is worth 65 cents here, because of the cost of living. We have the highest cost of living in the nation. This is one of those drivers to even increase it.

"The irony is that most of these local banks that this bill is trying to encourage literally end up selling all of their, probably 95% to 100% of their mortgages to mainland bankers, Fannie Mae, *et cetera*. This bill might possibly do that, so it's going to hurt our mortgage industry.

"Secondly, Mr. Speaker, this bill is very provincial and does not have the wide future of what commerce is. Commerce is not a brick and mortar phenomenon any longer, it's online, and to prevent our people from doing that is to curse to even further higher costs of living than they have now.

"This is unfair, it's not a good bill, and I would hope all of us would realize our constituents would not want a bill like this, especially those who don't have housing, because right now we're one of the lowest housing ownership states in the nation, most of our people are renters. So, let's give them a chance to get a mortgage, but let's get them cheaper, because the rates are cheaper by going online. Thank you, Mr. Speaker."

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, 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 Har rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. Please note my reservations. While I have the utmost respect for the introducer of this measure, I'd please like to incorporate the comments of the Vice Chair of Housing, and I will await to see what comes out of this bill after the next committee. Thank you."

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

"Thank you, Mr. Speaker. In support. The Legislature and the term that we're serving serves as a conversation. And there actually is some good information to propel this bill forward. And the committee that it enters now is the author of the bill, and I think we should give that committee one last chance to correct this bill, and then, if not, it may die a quiet death. Thank you."

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

"Mr. Speaker, in support. Based on what the Housing Chair said, your Committee on Consumer Protection & Commerce may be inclined to amend the bill back to its original language because obviously it was a great bill to begin with.

"Mr. Speaker, in all seriousness, this bill has come about because we all know when you sign up to get a mortgage from a financial institution or refinance your house, buried in that contract, for those of us who have gone through it, you have to initial these pages many, many times, and most of us don't go over it with a fine-tooth comb. Well, buried in that fine print, it says that the financial institution reserves the right to sell your mortgage, and unbeknownst to you, many times they will sell that mortgage to someone not in the state.

"So, this is the dilemma, Mr. Speaker. This is a pro-consumer bill at its core. Now, whether or not the implementation side of it will be onerous, it remains to be seen, but here's the rationale behind it. Your mortgage gets sold to a bank on the mainland, so from that point on you have to deal with that mainland bank. So, take for example you have homeowner's insurance, just a what-if. You have homeowner's insurance with State Farm, something happens to your roof, your roof gets damaged, State Farm agrees to pay for the roof, and then State Farm will send you a check. Now, you may not know this, but you can't deposit that check unless the person who has the lien, in other words that financial institution, cosigns that check. Then you have to deal with someone on the mainland instead of being able to walk into a local bank and say, hey, I got this check, can you cosign it so that I can deposit it?"

"Now, I don't know about everybody on this floor, but many people in our community will say, oh my goodness, that's just a lot of obstacles you have to go through. They would much prefer that they can walk into a local financial institution. By the way, Mr. Speaker, it may very well be that financial institution that sold your mortgage to that mainland institution. It seems to me, the burden on that local bank to merely cosign that check is not that burdensome, and besides, that financial institution that sold that mortgage made money off of it. Thank you, Mr. Speaker."

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

"Thank you, Mr. Speaker. I'm in strong support of this bill, and I'm really glad we're forwarding it, and I wanted to add additional comments to the previous speaker, the Chair of Consumer Protection & Commerce.

"This last summer and fall, I had many people come to me very concerned about their residential loan, fighting with the fact that their residential loan had been sold multiple times. There may be some language needs to be worked out, I get that, but I think it's important we forward this.

"Eventually, they bundle it and they sell it to someone else, who then bundles it and sells it to someone else, those people hire someone to service it, and before you know it, when you call to find out what's going on with your mortgage, all of a sudden you find it's been transferred several times. And you ask, well, did you have the authorization from me to do that? Aren't you required to inform me when you do that kind of stuff? And it can get really quite complicated.

"I even got on a phone call, a three-way phone call, because, one thing is, these end up getting sold a lot of times to the government, Freddie Mac I believe is still around. And so, ever since the foreclosure, and we've done a lot of work in this body trying to deal with mortgage foreclosures and how the paperwork was all messed up. In the old days, there wasn't computers, and people would lose files, it was really hard on people here in Hawaii. So I think we still have a problem, it's getting better all the time, but it's one of those things I think we have to stay focused on. Thank you."

Representative Thielen rose to respond, stating:

"Thank you, Mr. Speaker. I was wondering if the chair of the subsequent committee could look into possibly amending the bill to say that in the event of a sale from a local institution to an out-of-state financial institution, a local person must be designated who could accept service of process and could execute documents related to the loan. That could take care of that problem that's been identified by the Big Island Representative, but keep us from preventing them, instead of limiting the sale of residential mortgage loans, let's modify the way in which they can be done, to protect the local consumers. Thank you."

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

"I stand in support. Basically, I agree with the two prior speakers. I just want to point out on the Big Island, where there's a lot of foreclosures, after it's been sold, a number of times, the mortgage gets sold to Deutsche Bank, Germany. So, it's very difficult for foreclosure homes, for the homeowners' association or neighbors to get ahold of this German bank for them to take care of the vacant foreclosed lot.

"But as an attorney, I think there are supremacy clause problems with this. So, I stand in support, but I don't know about enforcement. Thank you."

Representative Ward rose to respond, stating:

"Mr. Speaker, two additional footnotes in not-support of this bill. First, a reality check. The US government owns the mortgage business. Number two, no bank in Hawaii's going to agree to forego selling their mortgages, it's in the 90th percentile rate. This is not about mortgages. It's about cost of living, it's about the interest which we're going to punish the people of Hawaii with if this bill passes. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1619, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL INSTITUTIONS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Har, McDermott, Nakamura, Thielen and Tupola voting aye with reservations, with Representative Ward voting no, and with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 50-18) recommending that H.B. No. 2181, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2181, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PEARL HARBOR REMEMBRANCE DAY," passed Second Reading and was referred to the Committee on Finance, with Representatives Souki and Todd being excused.

Representative Woodson, for the Committee on Education, presented a report (Stand. Com. Rep. No. 51-18) recommending that H.B. No. 2185, as amended in HD 1, pass Second Reading and be referred to the Committee on Health & Human Services.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2185, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BASED HEALTH," passed Second Reading and was referred to the Committee on Health & Human Services, with Representatives Souki and Todd being excused.

Representative Woodson, for the Committee on Education, presented a report (Stand. Com. Rep. No. 52-18) recommending that H.B. No. 2685, as amended in HD 1, pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2685, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN EDUCATION," passed Second Reading and was referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs, with Representatives Souki and Todd being excused.

Representative Woodson, for the Committee on Education, presented a report (Stand. Com. Rep. No. 53-18) recommending that H.B. No. 2156, as amended in HD 1, pass Second Reading and be referred to the Committee on Agriculture.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2156, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII FARM TO SCHOOL PROGRAM," passed Second Reading and was referred to the Committee on Agriculture, with Representatives Souki and Todd being excused.

Representative Evans, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 54-18) recommending that H.B. No. 1958, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 1958, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Souki and Todd being excused.

Representative Evans, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 55-18) recommending that H.B. No. 2080, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2080, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance, with Representatives Souki and Todd being excused.

Representative Evans, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 56-18) recommending that H.B. No. 2084, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2084, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Souki and Todd being excused.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 57-18) recommending that H.B. No. 1883, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 1883, HD 1 pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Morikawa.

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

"Mr. Speaker, ruling on a potential conflict. I am a farmer," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1883, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Souki and Todd being excused.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 58-18) recommending that H.B. No. 2017, as amended in HD 1, pass Second Reading and be referred to the Committee on Water & Land.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2017, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Second Reading and was referred to the Committee on Water & Land, with Representatives Souki and Todd being excused.

Representative Creagan, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 59-18) recommending that H.B. No. 2020, as amended in HD 1, pass Second Reading and be referred to the Committee on Water & Land.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 2020, HD 1 pass Second Reading and be referred to the Committee on Water & Land, seconded by Representative Morikawa.

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

"I have reservations, Mr. Speaker. I know that the drafter of the bill is trying to solve a problem that's a very serious problem, and I credit him with his attempt at that. But my concern about the bill, number one, the bill uses 'shall' instead of 'may,' taking away any Land Use Commission discretion when they see the facts in the particular land use case before them.

"Second one is that the requirement of the subdivision to be kept for ag purposes is only for 20 years. That's a very brief time and, in my opinion, doesn't protect the agricultural land as much as it should. The use of the word 'primarily' as ag use is a little bit waffly, and I think it needs a much tighter definition. And then I believe it needs redrafting so it does not allow condominium regimes to circumvent the ag requirement.

"I think the bill needs some serious work. I applaud the intent, but before it goes through to the Senate, I'd like to see some amendments made to it. Thank you."

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

"Mr. Speaker, with reservations, brief comment. I'd just like to address the fact that while we're trying to grow food and trying to address buffer zones and pesticides and pesticide drifts and noise that these farmers and ranchers make trying to conduct business, I would like us to be real careful about subdivisions in those areas, as urban sprawl out seems to be pushing out important ag lands and lands that we are using to grow food on, to double up food production in the upcoming years. So, I'd just like to add that, with my reservations. Thank you, Mr. Speaker."

Representative Matsumoto rose in support of the measure with reservations and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Matsumoto's written remarks are as follows:

"Mr. Speaker, I rise to vote aye with reservations on this measure. A large portion of my district is comprised of ag land, and we need to be very careful about the implications of this bill. We must work together to keep land designated for agricultural purposes to be used for agriculture. The measure needs revisions: uses 'shall' approve instead of 'may' approve, requirement of the subdivision to be kept for ag purposes for only 20 years, while the Land Use Commission agrees with 'in perpetuity' language, use of the word 'primarily' as ag use needs better clarification. *Mahalo* for the opportunity to speak on this measure."

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

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

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

Representative Gates 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. 2020, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," passed Second Reading and was referred to the Committee on Water & Land, with Representatives DeCoite, Evans, Gates, Matsumoto, Takayama, Thielen and Tupola voting aye with reservations, and with Representatives Souki and Todd being excused.

Representative Brower, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 60-18) recommending that H.B. No. 2575, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Belatti moved that the report of the Committee be adopted, and that H.B. No. 2575, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Morikawa.

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

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

"Mr. Speaker, ruling for a possible conflict. I own condos for rent," and the Chair ruled, "no conflict."

Representative Cachola continued to speak in support of the measure with reservations, stating:

"This bill is still a work in progress, and that's why I'll be voting with reservations. There's a lot of questions about this bill, and there's a lot of expense and things to be done before we can implement anything. But for the sake of this body looking at this, I'll be willing to vote at this time with reservations rather than a no vote. Thank you."

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

"Mr. Speaker, a no vote against this rent controlled bill, which never has worked. Thank you."

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

Representative Thielen rose and asked that the Clerk record an aye vote with reservations for her, 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. 2575, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Matsumoto, Thielen and Tupola voting aye with reservations, with Representatives McDermott and Ward voting no, and with Representatives Souki and Todd being excused.

Representative Evans, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 61-18) recommending that H.B. No. 2448, as amended in HD 1, be recommitted to the Committee on Economic Development & Business.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2448, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INNOVATION BUSINESS," was recommitted to the Committee on Economic Development & Business, with Representatives Souki and Todd being excused.

Representative Evans, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 62-18) recommending that H.B. No. 584, as amended in HD 1, be recommitted to the Committee on Economic Development & Business.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 584, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," was recommitted to the Committee on Economic Development & Business, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 63-18) recommending that H.B. No. 2696, as amended in

HD 1, be recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2696, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE MILITARY," was recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 64-18) recommending that H.B. No. 2700, as amended in HD 1, be recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2700, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTERNATIONAL AFFAIRS," was recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 65-18) recommending that H.B. No. 2699, as amended in HD 1, be recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2699, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ARTS," was recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 66-18) recommending that H.B. No. 2697, as amended in HD 1, be recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2697, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," was recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, with Representatives Souki and Todd being excused.

Representative LoPresti, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 67-18) recommending that H.B. No. 2698, as amended in HD 1, be recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

On motion by Representative Belatti, seconded by Representative Morikawa and carried, the report of the Committee was adopted and H.B. No. 2698, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VETERANS," was recommitted to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, with Representatives Souki and Todd being excused.

SUSPENSION OF RULES

On motion by Representative Morikawa, seconded by Representative Ward and carried, the rules were suspended for the purpose of considering a certain House Bill for Third Reading by consent calendar. (Representatives Souki and Todd were excused.)

THIRD READING**H.B. No. 2600:**

On motion by Representative Belatti, seconded by Representative Morikawa and carried, H.B. No. 2600, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS TO PROVIDE FOR THE EXPENSES OF THE LEGISLATURE, THE AUDITOR, THE LEGISLATIVE REFERENCE BUREAU, THE OMBUDSMAN, AND THE ETHICS COMMISSION," passed Third Reading by a vote of 49 ayes, with Representatives Souki and Todd being excused.

At 12:41 o'clock p.m., the Chair noted that the following bill passed Third Reading:

H.B. No. 2600

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 16) and concurrent resolutions (H.C.R. Nos. 19 and 20) were referred to Printing and further action was deferred:

H.R. No. 16, entitled: "HOUSE RESOLUTION REQUESTING AN INCREASED HONOLULU POLICE DEPARTMENT PRESENCE IN THE CHINATOWN AND DOWNTOWN HONOLULU AREAS," was jointly offered by Representatives Holt, Aquino, Brower, Cullen, Evans, Fukumoto, Gates, Ichiyama, Johanson, Keohokalole, LoPresti, Lowen, Nishimoto, Ohno, Quinlan, San Buenaventura, Say, Takayama, Takumi, Todd, Tokioka, Woodson and Yamane.

H.C.R. No. 19, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO AMEND ITS MISSION STATEMENT TO EXPRESSLY INCLUDE THE DEVELOPMENT OF A BUSINESS FRIENDLY CULTURE IN THE STATE," was jointly offered by Representatives Ward, Brower, Cachola, DeCoite, Evans, Har, Kong, Learmont, Matsumoto, McDermott, Onishi, Say and Thielen.

H.C.R. No. 20, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING AN INCREASED HONOLULU POLICE DEPARTMENT PRESENCE IN THE CHINATOWN AND DOWNTOWN HONOLULU AREAS," was jointly offered by Representatives Holt, Aquino, Brower, Cullen, Evans, Fukumoto, Gates, Ichiyama, Johanson, Keohokalole, LoPresti, Lowen, Nishimoto, Ohno, Quinlan, San Buenaventura, Say, Takayama, Takumi, Todd, Tokioka, Woodson and Yamane.

ANNOUNCEMENTS

Representative Brower: "Thank you, Mr. Speaker. Your Committee on Housing and Committee on Finance would like to notify members of an information briefing this afternoon at 3:00 p.m. in Conference Room 325, and the subject is transit-oriented development. Thank you."

Representative Ward: "Thank you, Mr. Speaker. I just wanted to say congratulations to everyone in this building and in the State of Hawaii for the pay raise that they just received thanks to the congressional tax reformat that just passed last year. Thank you."

Representative Kong: "Today there was an honor of the education award, the Milken Award, and today's recipient came out of Aiea High School. A good friend of mine, an educator by the name of Ken Kang, he was the recipient of the Milken Award today. So, yay for Aiea High School. Thank you very much."

Representative Thielen: "Thank you, Mr. Speaker. A number of us in this body signed the letter to the Governor asking him to issue an executive order protecting net neutrality in our state, and I'd like to tell members, that happened this morning at 11:30 and he announced it publicly. It basically follows the Montana Governor's executive order. And I think it's going to

be for the better of all of our residents in the state and for the free flow of information on the internet. Thank you."

COMMITTEE REASSIGNMENTS

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

<u>H.B. Nos.</u>	<u>Re-referred to:</u>
150	Jointly to the Committee on Health & Human Services and the Committee on Judiciary
201	Jointly to the Committee on Health & Human Services and the Committee on Judiciary
550	Jointly to the Committee on Health & Human Services and the Committee on Judiciary
584, HD1	Jointly to the Committee on Energy & Environmental Protection and the Committee on Economic Development & Business, then to the Committee on Finance
1717, HD1	Committee on Health & Human Services, then to the Committee on Finance
1828, HD1	Committee on Tourism, then to the Committee on Finance
2147	Committee on Health & Human Services, then to the Committee on Judiciary, then to the Committee on Finance
2443	Committee on Water & Land, then to the Committee on Finance
2448, HD1	Jointly to the Committee on Energy & Environmental Protection and the Committee on Economic Development & Business, then to the Committee on Finance
2735	Committee on Higher Education, then to the Committee on Judiciary
<u>S.B. No.</u>	<u>Re-referred to:</u>
1129, SD2	Jointly to the Committee on Health & Human Services and the Committee on Judiciary

ADJOURNMENT

At 12:44 o'clock p.m., on motion by Representative Morikawa, seconded by Representative Ward and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Tuesday, February 6, 2018. (Representatives Ito, Johanson, Souki and Todd were excused.)