

## FIFTY-FIRST DAY

Friday, April 2, 1976

The Senate of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, convened at 11:30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by the Reverend Mark E. Guerin of Our Lady of Peace Cathedral, after which the Roll was called showing all Senators present.

The President announced that he had read and approved the Journal of the Fiftieth Day.

At this time, the following introductions were made to the members of the Senate:

Senator Kawasaki introduced sixty students from the second and third grades at Moanalua Elementary School, with their teachers, Mrs. Hamamoto, Miss Higashi, Mrs. Hori and Assistant Teacher, Miss Sawai.

Senator Yee introduced 128 students from the fifth grade and several members of Manoa Student Council from the Manoa School, accompanied by their teachers, Mrs. E. Takahashi, Mrs. H. Tagawa, Mrs. K. Watanabe, Mrs. Minette and Mr. Chang, and Vice-Principal, Mrs. Fo.

Senator Anderson introduced sixteen members of the Kukui Gardens Senior Citizens Club.

Senator Yamasaki introduced twenty-six members of a Senior Citizens Club from Haiku, Maui, together with their leader, Mr. James K. Ohashi.

Senator Chong introduced fifteen seniors from University High School, with their teachers, Mr. Norman Okamura.

#### MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 313 to 360) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Msg. No. 313), transmitting the 1975 annual report of the Hawaii Advisory Commission on Drug Abuse and Controlled Substances, pursuant to Section 329-3, Hawaii Revised Statutes, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 314), requesting the withdrawal of the nomination to the Commission on Population and the Hawaiian Future of Lucille Hicks, term to expire December 31, 1979, under Governor's Message No. 256, was placed on file.

In compliance with the request of Gov. Msg. No. 314, the nomination listed under Gov. Msg. No. 256 was returned.

A message from the Governor (Gov. Msg. No. 315), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Lambert K. Wai, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 316), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Katherine D. Gardner, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 317), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Callalya Hudnall, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 318), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Joseph P. Cooke, Jr., term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 319), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Melvin M. Sodemani, term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 320), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Eldon W. Morris, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 321), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of E. Evelyn Laureta, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 322), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Dr. John C. Milnor, term to expire December 31, 1976, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 323), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Richard W. Santos, term to expire December 31, 1976, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 324), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Ah Nee Leong, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 325), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Violet Z. Kam, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 326), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Donna M. Smythe, term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 327), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Emir N. Berg, term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 328), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Shirley J. Kollmeyer, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 329), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Robert M. Kawakone, term to expire December 31, 1976, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 330), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Ian W. J. Evans, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 331), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Daniel D. Anderson, term to expire December 31, 1976, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 332), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of the Honorable George Yuen, term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 333), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of the Honorable Charles G. Clark, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 334), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of the Honorable Andrew I. T. Chang, term to expire December 31, 1978, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 335), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Dr. Merle McPherson, term to expire December 31, 1979, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 336), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of George C. Wilkins, term to expire December 31, 1976, was referred to the Committee

on Health.

A message from the Governor (Gov. Msg. No. 337), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Ruth Yoshioka, term to expire December 31, 1976, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 338), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of Kuniji Sagara, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 339), submitting for consideration and confirmation to the State Planning and Advisory Council on Developmental Disabilities, the nomination of George T. Kajiwaru, term to expire December 31, 1977, was referred to the Committee on Health.

A message from the Governor (Gov. Msg. No. 340), submitting for consideration and confirmation to the Board of Taxation Review, Second Taxation District, Maui, the nomination of Thomas C. Thayer, term to expire December 31, 1979, was referred to the Committee on Ways and Means.

A message from the Governor (Gov. Msg. No. 341), submitting for consideration and confirmation to the Board of Taxation Review, Second Taxation District, Maui, the nomination of Kazumi Kobayashi, term to expire December 31, 1979, was referred to the Committee on Ways and Means.

A message from the Governor (Gov. Msg. No. 342), submitting for consideration and confirmation to the Board of Taxation Review, Third Taxation District, Hawaii, the nomination of Richard Kamau, term to expire December 31, 1979, was referred to the Committee on Ways and Means.

A message from the Governor (Gov. Msg. No. 343), submitting for consideration and confirmation to the Board of Taxation Review, Third Taxation District, Hawaii, the nomination of Ernest F. Matsumura, term to expire December 31, 1979, was referred to the Committee on Ways and Means.

A message from the Governor (Gov. Msg. No. 344), submitting for consideration and confirmation to the Board of Taxation Review, Fourth Taxation District, Kauai, the nomination of Joseph Tokita, term to expire December

31, 1979, was referred to the Committee on Ways and Means.

A message from the Governor (Gov. Msg. No. 345), submitting for consideration and confirmation to the Board of Regents, University of Hawaii, the nomination of Harriet K. Mizuguchi, term to expire December 31, 1979, was referred to the Committee on Higher Education.

A message from the Governor (Gov. Msg. No. 346), submitting for consideration and confirmation to the Board of Regents, University of Hawaii, the nomination of Kiyoshi Sasaki, term to expire December 31, 1979, was referred to the Committee on Higher Education.

A message from the Governor (Gov. Msg. No. 347), submitting for consideration and confirmation to the Board of Regents, University of Hawaii, the nomination of Carl A. Carlson, Jr., term to expire December 31, 1978, was referred to the Committee on Higher Education.

A message from the Governor (Gov. Msg. No. 348), submitting for consideration and confirmation to the Land Use Commission, the nomination of Shinsei Miyasato, term to expire December 31, 1979, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 349), submitting for consideration and confirmation to the Land Use Commission, the nomination of Carol B. Whitesell, term to expire December 31, 1977, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 350), submitting for consideration and confirmation to the Land Use Commission, the nomination of Charles W. Duke, term to expire December 31, 1978, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 351), submitting for consideration and confirmation to the Land Use Commission, the nomination of Colette Y. Machado, term to expire December 31, 1978, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 352), submitting for consideration and confirmation to the Land Use Commission, the nomination of Mitsuo Oura, term to expire December 31, 1976, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 353), submitting for consideration and confirmation to the Land Use Commission, the nomination of Edward K. Yanai,

term to expire December 31, 1977, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 354), submitting for consideration and confirmation to the Land Use Commission, the nomination of Stanley S. Sakahashi, term to expire December 31, 1976, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 355), submitting for consideration and confirmation to the Land Use Commission, the nomination of Eddie Tangen, term to expire December 31, 1976, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 356), submitting for consideration and confirmation to the Land Use Commission, the nomination of James R. Carras, term to expire December 31, 1979, was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 357), submitting for consideration and confirmation to the Board of Registration, Island of Hawaii, the nomination of Stanley T. Tomono, term to expire December 31, 1979, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 358), submitting for consideration and confirmation to the Board of Registration, Kauai and Niihau, the nomination of Florensio Mateo, term to expire December 31, 1979, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 359), submitting for consideration and confirmation to the Board of Radiologic Technologists, the nomination of Richard N. Mato, term to expire December 31, 1979, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 360), submitting for consideration and confirmation to the Board of Paroles and Pardons, the nomination of Tadayuki Yoshinaga, term to expire December 31, 1978, was referred to the Committee on Judiciary.

#### HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 376 to 384) were read by the Clerk and were disposed of as follows:

A communication from the House

(Hse. Com. No. 376), returning Senate Bill No. 1623, S.D. 1, which passed Third Reading in the House of Representatives on April 1, 1976, was placed on file.

A communication from the House (Hse. Com. No. 377), returning Senate Bill No. 1798-76, S.D. 1, which passed Third Reading in the House of Representatives on April 1, 1976, was placed on file.

A communication from the House (Hse. Com. No. 378), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 62, H.D. 1, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Takamura, Chairman, Kunimura and Evans as Managers on the part of House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 379), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 639, H.D. 1, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Segawa, Chairman, Mizuguchi, Takamine and Amaral as Managers on the part of the House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 380), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 1801, H.D. 1, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Cayetano, Chairman, Cobb, Takamura and Ikeda as Managers on the part of the House for the consideration of said amendments,

was placed on file.

In accordance therewith, the President appointed Senators O'Connor, Chairman, Takitani and Soares as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 381), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 2022-76, H.D. 1, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Takamura, Chairman, Kunimura and Evans as Managers on the part of the House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulsten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 382), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 3103-76 and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Yuen, Chairman, Oda, Machida and Santos as Managers on the part of the House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators Hara, Chairman, Ching and Saiki as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 383), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 3248-76, H.D. 1, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Segawa, Chairman, Machida, Stanley and Santos as Managers on the part of the House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators Chong, Chairman, Nishimura and Saiki as Managers on the part of the Senate at such conference.

A communication from the House (Hse. Com. No. 384), informing the Senate that the House has disagreed to the amendments proposed by the Senate to House Bill No. 3262-76, H.D. 2, and has requested a conference on the subject matter thereof, in consequence of which the Speaker on April 1, 1976, has appointed Representatives Kawakami, Chairman, Uechi, Kihano and Clarke as Managers on the part of the House for the consideration of said amendments, was placed on file.

In accordance therewith, the President appointed Senators F. Wong, Chairman, Hulsten and Henderson as Managers on the part of the Senate at such conference.

At 11:47 o'clock a.m., the Senate stood in recess, subject to the call of the Chair.

The Senate reconvened at 11:55 o'clock a.m.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Senate Bill No. 2643-76, H.D. 1:

The President discharged the Managers who were appointed on April 1, 1976, on the part of the Senate for the conference to consider the amendments proposed by the House to S.B. No. 2643-76.

The President then appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulsten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2121-76, S.D. 1,  
H.D. 2:

The President discharged the Managers who were appointed on April 1, 1976, on the part of the Senate for the conference to consider the amendments proposed by the House to S.B. No. 2121-76, S.D. 1.

The President then appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulsten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2745-76, S.D. 1,  
H.D. 2:

The President discharged the Managers who were appointed on April 1, 1976, on the part of the Senate for the conference

to consider the amendments proposed by the House to S.B. No. 2745-76, S.D. 1.

The President then appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

#### SENATE CONCURRENT RESOLUTION

A concurrent resolution (S.C.R. No. 100), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A HOUSING PROJECT ON LAND PURCHASED FOR THE VINEYARD STREET GARAGE", was jointly offered by Senators Young, Chong, Yim, Taira, Takitani, King, Hulten, O'Connor, George, Saiki, Yamasaki, Nishimura, Hara, F. Wong, Ching, Kuroda, Soares, Yee and Henderson, and was read by the Clerk.

By unanimous consent, S.C.R. No. 100 was referred to the Committee on Housing and Hawaiian Homes.

#### SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 383 and 384) were read by the Clerk and were disposed of as follows:

A resolution (S.R. No. 383), entitled: "SENATE RESOLUTION CONGRATULATING QUEEN MYRAH ITSUNO HIGA AND THE ROYAL COURT OF THE 24TH ANNUAL CHERRY BLOSSOM FESTIVAL", was jointly offered by Senators Ching, F. Wong, Young, Kuroda, Taira, Toyofuku, Chong, Takitani, O'Connor, Hulten, Henderson, Ushijima, George, Soares, Anderson, Hara, Kawasaki, King, Yamasaki, Nishimura, R. Wong, Yee, Saiki, Yim and Leopold.

By unanimous consent, action on S.R. No. 383 was deferred until Monday, April 5, 1976.

A resolution (S.R. No. 384), entitled: "SENATE RESOLUTION CONGRATULATING THE KALANI HIGH SCHOOL BOYS AND GIRLS TENNIS TEAMS", was jointly offered by Senators Saiki, Soares, Yee, George, Henderson, Kuroda, F. Wong, King, Anderson, Young, Hulten, Takitani, Yim, Chong, Leopold, Kawasaki, Ching, Toyofuku, Nishimura, Yamasaki, Taira, Hara and O'Connor.

On motion by Senator Saiki, seconded by Senator Soares and carried, S.R. No. 384 was adopted.

#### STANDING COMMITTEE REPORTS

Senator Yamasaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 692-76), informing the Senate that Senate Concurrent Resolution Nos. 98 and 99, Senate Resolution Nos. 383 and 384 and Stand. Com. Rep. Nos. 693-76 and 694-76 and Governor's Message Nos. 315 to 360 have been printed and are ready for distribution.

On motion by Senator Yamasaki, seconded by Senator Taira and carried, the report of the Committee was adopted.

Senators F. Wong and King, for the Committees on Economic Development and Ecology, Environment and Recreation, presented a joint report (Stand. Com. Rep. No. 693-76), recommending that Senate Concurrent Resolution No. 11 be adopted.

On motion by Senator F. Wong, seconded by Senator King and carried, the joint report of the Committees was adopted and S.C.R. No. 11, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT FORMULATION OF THE STATE PLAN EMPHASIZE MAXIMUM USE OF PRIVATE CAPITAL TO ACHIEVE PLAN GOALS", was adopted.

Senators F. Wong and King, for the Committees on Economic Development and Ecology, Environment and Recreation, presented a joint report (Stand. Com. Rep. No. 694-76), recommending that Senate Resolution No. 4 be adopted.

On motion by Senator F. Wong, seconded by Senator King and carried, the joint report of the Committees was adopted and S.R. No. 4, entitled: "SENATE RESOLUTION RELATING TO THE DEVELOPMENT OF CRITERIA TO DETERMINE CARRYING CAPACITY OF STATE", was adopted.

#### ORDER OF THE DAY

##### MATTERS DEFERRED FROM APRIL 1, 1976

Senate Bill No. 714, S.D. 1, H.D. 4:

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 714, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President

appointed Senators Nishimura, Chairman, Young and Henderson as Managers on the part of the Senate at such conference.

Senate Bill No. 1577, S.D. 1, H.D. 2:

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 1577, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Nishimura, Chairman, Hara, Taira, Takitani, F. Wong, George and Saiki as Managers on the part of the Senate at such conference.

Senate Bill No. 2739-76, H.D. 1:

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2739-76, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Nishimura, Chairman, Chong and Saiki as Managers on the part of the Senate at such conference.

Senate Bill No. 1187, S.D. 2, H.D. 2:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 1187, S.D. 2, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 1794-76, S.D. 1, H.D. 1:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 1794-76, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young,

Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2226-76, S.D. 1, H.D. 1:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2226-76, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2321-76, S.D. 1, H.D. 1:

In accordance with Article III, Section 16, of the Constitution of the State of Hawaii, the 24-hour notice was given on S.B. No. 2321-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY".

Senate Bill No. 2333-76, H.D. 1:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2333-76, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, Nishimura, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson, and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2394-76, S.D. 1, H.D. 1:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2394-76, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2703-76, S.D. 2,

H.D. 1:

Senator Nishimura explained the amendments made by the House to the bill as follows:

"Mr. President, the purpose of this bill is to create a new class of liquor license, named a 'hotel' license, for the sale of liquor in a hotel for consumption on the premises.

The House amended the bill as follows:

1. Provided that the liquor commissions in each county will adopt rules restricting holders of hotel licenses in selling liquor as authorized by a retail dealers license thus making sure there is a distinction between a retail liquor license and a hotel liquor license;

2. Changed a section number at page 8 that was incorrectly numbered;

3. Increased the time during which a liquor commission must give a violator of the liquor laws a hearing from 10 to 60 days after giving the notice of violation and reduced the time during which a notice of violation must be given to a violator from 60 to 10 days; and

4. Added words which make clear that if a licensee changes his business location and does not obtain permission to continue his business at another location, the commission may cancel or suspend his license."

In accordance with Article III, Section 16, of the Constitution of the State of Hawaii, the 24-hour notice was given on S.B. No. 2703-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR".

At 12:03 o'clock p.m., the Senate stood in recess, subject to the call of the Chair.

The Senate reconvened at 12:10 o'clock p.m.

Senate Bill No. 2827-76, S.D. 1, H.D. 2:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2827-76, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman,

Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 2830-76, S.D. 1, H.D. 1:

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2830-76, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, Nishimura, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

Senate Bill No. 1838-76, S.D. 2, H.D. 1:

Senator Nishimura explained the amendments proposed by the House as follows:

"Mr. President, the House amended the bill by making certain language changes which did not substantially change the meaning of the bill.

The one major change made was the inclusion of a provision under no-fault benefits where it applies to welfare recipients. Medical and work loss benefits were removed for recipients because both State and Federal governments already had primary responsibility for payment."

In accordance with Article III, Section 16, of the Constitution of the State of Hawaii, the 24-hour notice was given on S.B. No. 1838-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MOTOR VEHICLE ACCIDENT REPAIRMENTS ACT".

Senate Bill No. 2501-76, S.D. 2, H.D. 1:

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 2501-76, S.D. 2, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Nishimura, Chairman, Kuroda, Takitani and George as Managers on the part of the Senate at such conference.



Senate Bill No. 1855-76, H.D. 1:

Senator Nishimura explained the amendments proposed by the House as follows:

"Mr. President, the House amended the bill by providing that operators of buses having a gross vehicle weight rating of more than 10,000 pounds in addition to being examined and licensed under 286-102(b) must be examined and certified as provided in Section 286-108.5 by a certificated fleet safety examiner. Under the existing law, operators of all buses were required to be examined and certified under 286-108.5. Since your Committee changed 286-102(b) by putting buses under 10,000 pounds into the same category as passenger cars, we recommend concurrence with the amendment deleting the requirement that operators of buses whose weight is 10,000 pounds or less be examined and certified under 286-108.5."

In accordance with Article III, Section 16, of the Constitution of the State of Hawaii, the 24-hour notice was given on S.B. No. 1855-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVER'S LICENSE CATEGORIES".

At 12:10 o'clock p.m., the Senate stood in recess, subject to the call of the Chair.

The Senate reconvened at 12:22 o'clock p.m.

#### FINAL READING

Senate Bill No. 2092-76, S.D. 2, H.D. 1:

By unanimous consent, action on S.B. No. 2092-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT AMENDING SECTION 205-35 OF THE HAWAII REVISED STATUTES, RELATING TO SHORELINE SETBACKS", was deferred until Monday, April 5, 1976.

Senate Bill No. 1793-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 1793-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL PROHIBITION AGAINST WATER POLLUTION", was deferred until Monday, April 5, 1976.

Senate Bill No. 1949-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 1949-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO POLICY PLANNING", was deferred until Monday, April 5, 1976.

Senate Bill No. 2140-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 2140-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ESTIMATE FOR MOTOR VEHICLE REPAIR", was deferred until Monday, April 5, 1976.

Senate Bill No. 1832-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 1832-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE AND EXEMPTIONS", was deferred until Monday, April 5, 1976.

At 12:23 o'clock p.m., the Senate stood in recess, subject to the call of the Chair.

The Senate reconvened at 12:29 o'clock p.m.

#### RECONSIDERATION OF ACTION TAKEN

Senate Bill No. 528, S.D. 1, H.D. 1:

Senator Nishimura moved that the Senate reconsider its action on S.B. No. 528, S.D. 1, H.D. 1, seconded by Senator O'Connor and carried.

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 528, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Nishimura, Chairman, O'Connor and George as Managers on the part of the Senate at such conference.

Senate Bill No. 1191, H.D. 2:

Senator R. Wong moved that the Senate reconsider its action on S.B. No. 1191, H.D. 2, seconded by Senator Yamasaki and carried.

On motion by Senator R. Wong, seconded by Senator Yamasaki and carried, the Senate disagreed to the amendments proposed by the House

to S.B. No. 1191, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators R. Wong, Chairman, Yamasaki, Hara, Hulten, King, Kuroda, O'Connor, Toyofuku, Yim, Young, Anderson, Henderson and Soares as Managers on the part of the Senate at such conference.

#### FINAL READING

Senate Bill No. 1784-76, S.D. 2, H.D. 1:

By unanimous consent, action on S.B. No. 1784-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE", was deferred until Monday, April 5, 1976.

Senate Bill No. 525, S.D. 1:

By unanimous consent, action on S.B. No. 525, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CANCER CONTROL", was deferred until Monday, April 5, 1976.

Senate Bill No. 2526-76, H.D. 1:

By unanimous consent, action on S.B. No. 2526-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSENT TO ADOPTION", was deferred until Monday, April 5, 1976.

Senate Bill No. 1899-76, S.D. 2, H.D. 1:

By unanimous consent, action on S.B. No. 1899-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF AN OFFICE OF CHILDREN AND YOUTH", was deferred until Monday, April 5, 1976.

Senate Bill No. 2225-76, S.D. 2, H.D. 1:

By unanimous consent, action on S.B. No. 2225-76, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PREPAID HEALTH CARE", was deferred until Monday, April 5, 1976.

Senate Bill No. 2334-76, H.D. 1:

By unanimous consent, action on S.B. No. 2334-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INVESTIGATORS OF THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING", was deferred until Monday, April 5, 1976.

Senate Bill No. 2409-76, H.D. 2:

By unanimous consent, action on S.B. No. 2409-76, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SERVICE-CONNECTED TOTAL DISABILITY RETIREMENT FOR POLICE OFFICERS", was deferred until Monday, April 5, 1976.

Senate Bill No. 2519-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 2519-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAFE DRINKING WATER", was deferred until Monday, April 5, 1976.

Senate Bill No. 110, S.D. 2, H.D. 1:

By unanimous consent, action on S.B. No. 110, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HEALTH", was deferred until Monday, April 5, 1976.

Senate Bill No. 2326-76, S.D. 1, H.D. 1:

By unanimous consent, action on S.B. No. 2326-76, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY", was deferred until Monday, April 5, 1976.

#### RECONSIDERATION OF ACTION TAKEN

Senate Bill No. 1998-76, H.D. 1:

Senator Nishimura moved that the Senate reconsider its action on S.B. No. 1998-76, H.D. 1, seconded by Senator O'Connor and carried.

On motion by Senator Nishimura, seconded by Senator O'Connor and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 1998-76, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Nishimura, Chairman, O'Connor and George as Managers on the part of the Senate at such conference.

At this time, Senator Hulten rose on a point of personal privilege and stated as follows:

"Mr. President, I understand that there was a telecast on Channel 9 last evening in connection with the

Hawaiian Inter-Island Ferry System. I did not happen to view that telecast but I have been informed that in conjunction with it, a statement was made possibly attributed to me that I had said that I had a 10% interest in this proposal for a privately operated inter-island ferry system as a finder's fee. I would like to clarify for the record just exactly what my position is in regard to this inter-island ferry system.

As you know, we passed legislation in 1963 and again in 1965 which I was very instrumental in, which established a state-owned and operated ferry system under the Department of Transportation and we had at that time, authorized the expenditure of some \$14 million in revenue bonds for the financing of the system. There arose some opposition in the community because of the fact that this would be a publicly operated ferry system.

The inference was--in fact, it was explicitly stated by those opposing, that they would have no objection if there were a privately operated ferry system. I spoke to the then Governor Burns and he also indicated that the proper route to go probably would be a privately operated system and he asked me to explore that.

We did, and in 1967, there was incorporated the Hawaiian Inter-Island Ferry System. The purpose of it was to provide an inter-island ferry between these islands.

This was to be financed basically through the maritime administration program where 87-1/2% of the cost of these vessels would be on the basis of an insured mortgage from the maritime administration. The balance of the equity would be raised by the operators of this system.

I then proceeded to try to sell stock locally, to the local community here, so that the system would be owned locally. It would be a privately, locally-owned system, similar to the way Aloha Airlines financed their operation. We needed about a million and a half and we were able to raise only \$900,000. Since this amount wasn't sufficient, we then proceeded to refund the monies collected. We then had to seek private investors from outside sources to try to put it together.

In the meantime, the Hawaiian Inter-Island Ferry System, Ltd. had expended approximately \$500,000. We had obtained actual working plans

for the construction of the vessels, paid for those and financed all of the necessary paper work and everything that had to go through to get this approved by the maritime administration and by the local Public Utilities Commission and so forth. So there was an investment of about \$500,000 by Hawaiian Inter-Island Ferry System.

In trying to find private investors, we contacted Stanley McDonald of McDonald-Halliday Enterprises, who were the operators of the Princess Cruise Lines, and they said that they would be interested in trying to both raise the equity money and also in operating the vessel. The proposal that was presented to the Legislature the other evening was their proposal and basically what it requested was that they are putting up three and a half million dollars in cash themselves. Maritime administration was insuring the 87-1/2%.

There was an additional \$12 million required in this equity portion and they had financing arranged through the financial institutions, but the financial institutions wanted some assurance from the State that they would support this system and asked if they would underwrite or guarantee the \$12 million loan. This basically is the proposal before us.

Now as far as my own personal involvement is concerned with Hawaiian Inter-Island Ferry System, I had invested about \$50,000 of the \$500,000 towards these plans, etc. and I indicated to those who asked me at the time, this would basically be... what happens is Hawaiian Inter-Island Ferry System would be taken over by this group that is providing the equity money and would receive a 10% interest in the operating group and my interest in that 10% interest would be 1%. In other words, what the \$50,000 was, was 1% of the venture.

I indicated to everybody that I was not concerned. My whole point of this was not as a money-making venture for myself but to get an inter-island ferry system and I'd be perfectly willing to donate this 1% to the State or to charity or to anybody who wants it, but I personally would not be involved in this. As I said, the primary purpose here is to provide a very necessary service to the people of this State and this is my involvement.

I intend to check with the Channel 9 TV station to find out just exactly what was said and if any further clarification is needed, I will be prepared to do this on Monday.

Thank you very much."

Senator Kuroda then rose on a point of personal privilege and remarked as follows:

"Mr. President, in the recent days, my name has been mentioned in both daily newspapers with regards to a bill that is now in the House. It is Senate Bill No. 1992-76 which has to do with the redistricting of the congressional district.

I think that it should be accurately reported that I did not agree with the Senate version that went out because I voted no, as it affects the voting people of the district which I represent. However, I have supported the position that the Senate has sent out.

It appears that there is some implication that I had something to do with what's happening in the House. The only question I was asked was 'where do you live' and I told them where I live.

As to what the House does with the bill is their business and as to what the Republicans want to do with that is their business, but I think it's improper for my name to be dragged into it as having a shady part in the activity and I believe that when the bill comes back, as it has, that the Senate will take some corrective action.

Thank you."

Senator Anderson, on a point of personal privilege, also, stated as follows:

"Mr. President, I hesitate to speak on the subject but I think we'd better clarify a little bit further, the language regarding the ferry system because for some reason, a lot of us are being interviewed this morning by the press who evidently picked up something.

I'd like to state for the record that the Republican members of the Ways and Means Committee had no participation and no input in the language change of the ferry in the particular budget this year.

We disagree with it. We were hoping to pick it up in the conference. We question whether you can use CIP money for what appears to be an operating subsidy. We question whether we can commit legislatures for \$20 million down the road--legislatures that have not yet been adjourned, and I think that is illegal.

We did not, as I say, participate in the language change that appears and if this should get blown out of proportion, I'd like it very clear it is not on this side of the aisle."

Senator R. Wong, on a point of personal privilege, and in response to the foregoing, stated as follows:

"Mr. President, it has been my policy during the brief time that I have been here that we never touch certain language changes which are based in CIP appropriations because it deals with specific districts and the amount of CIP monies that are apportioned to the Senators to spend. With reference to the broader pictures which have statewide categories, the budget bill was presented to all members of the Ways and Means Committee in terms of a breakdown in every category and, based on findings of what I felt was correct, we made these changes, Mr. President. That bill was in full view of the twenty-five members of the Senate, twenty-four hours before passage.

I want to emphasize that the foregoing speaker is correct that they may have overlooked that particular provision but it is in the bill. I agree with him in principle that any CIP appropriations are not to be used for operating expenses and I will make that clear in conference. I am sure when we come out, there will be changes to the language, if it is so noted that this appears to be the case with reference to the State ferry system.

I want to make it very clear to the members of this Body, that it was never our intent to favor any one particular individual and the Senator from the Third District and myself have not been in contact relative to this particular matter. We have discussed it. I don't think it is any secret in this Senate that this particular Senator has pushed all these years for a ferry system between the islands and I don't think any Senator here disagrees with that.

Mr. President, I want to make it very clear that in conference we will take a very, very good look at the language one more time. Thank you, Mr. President."

#### ADJOURNMENT

At 12:45 o'clock p.m., on motion by Senator Taira, seconded by Senator Anderson and carried, the Senate adjourned until 11:00 o'clock a.m., Monday, April 5, 1976.