

THE
NINTH LEGISLATURE
STATE OF HAWAII
REGULAR SESSION OF 1977
JOURNAL OF THE SENATE

FIRST DAY

Wednesday, January 19, 1977

In accordance with the provisions of Section 11 of Article III of the Constitution of the State of Hawaii, the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1977, was called to order at 10:00 o'clock a.m., Wednesday, January 19, 1977, by the Honorable John T. Ushijima, President of the Senate.

At this time, the President appointed Senators Ching, Taira and Henderson to escort the Reverend David Kaapu of Haili Church, Hilo, Hawaii, to the dais for invocation.

The Committee of three escorted Reverend Kaapu to the dais and was discharged with thanks.

The Divine Blessing was then invoked by Reverend Kaapu.

MESSAGE FROM THE GOVERNOR

A message from the Governor (Gov. Msg. No. 1), submitting the Certification of Election of W. Buddy Soares, representing the Seventh Senatorial District to serve for a term of two years, which began on the 2nd day of November, 1976, was read by the Clerk and was placed on file.

The Certificate reads as follows:

"STATE OF HAWAII
OFFICE OF THE LT. GOVERNOR

This is to certify that on the 2nd day of November, 1976, W. BUDDY SOARES was duly chosen by the qualified electors of the Seventh Senatorial District of the State of Hawaii a Senator from said District to represent said District in the Ninth State Legislature for a term of two years, which began on the 2nd day of November, 1976.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Hawaii to be affixed.

DONE at the State Capitol, in Honolulu, this 5th day of January, 1977.

/s/ Nelson K. Doi

NELSON K. DOI
Lieutenant Governor"

Senator Taira moved that a Committee of three Senators be appointed by the President as a Committee on Credentials, seconded by Senator Anderson and carried.

The President then appointed Senators Kawasaki, Chairman, O'Connor and Anderson as members of the Committee.

At 10:08 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:24 o'clock a.m.

SPECIAL COMMITTEE REPORT

Senator Kawasaki, for the Committee on Credentials, presented a report (Spec. Com. Rep. No. 1) which was read by the Clerk as follows:

"The Honorable John T. Ushijima
President of the Senate
The Ninth State Legislature
State Capitol
Honolulu, Hawaii 96813

S I R :

Your Committee on Credentials begs leave to report that it has examined the Certificate of Election of W. BUDDY SOARES and finds that he has been legally elected and fully qualified to sit as a member of the Senate of the Ninth Legislature of the State of Hawaii.

Respectfully submitted,

Duke Kawasaki, Chairman
Dennis O'Connor
D. G. Anderson"

Senator Kawasaki moved that Special Committee Report No. 1 be adopted, seconded by Senator Anderson and carried.

The Committee was thereupon discharged with thanks.

Senator Taira moved that a Committee of three be appointed to escort Justice Thomas Ogata to the dais to administer the oath, seconded by Senator Yee and carried.

The President then appointed Senators Ching, Taira and Henderson to serve as members of the Committee.

The President also appointed Senators Saiki and Anderson to escort Senator Soares to the floor of the Chambers.

Justice Ogata then administered the oath of office to Senator Soares.

The Committees were then discharged with thanks.

The President then congratulated Senator Soares on his election as a member of the Senate.

Senator Soares then addressed the members of the Senate as follows:

"Mr. President, last year at this same time, I was sworn in to fill the vacancy left by my colleague Senator Fred Rohlfing, and I have spent one year with the Senators, many of them my old colleagues, many of them my colleagues, and all of them very dear friends and fellow workers. I have just gone through a very tiring election and I received the mandate of my Seventh Senatorial District to represent them to the best of my ability.

I, at this time, take up this challenge and ask God to give me the strength and the guidance to be a good, honest and dedicated Senator.

Thank you very much."

At this time, the Roll was called showing all Senators present.

The President then addressed the members of the Senate and guests as follows:

"Governor Ariyoshi, Lieutenant Governor Doi, Justice Ogata, Mayor Malapit, other distinguished elected public officials, my fellow Senators, distinguished guests, ladies and gentlemen:

'A new spirit, a new commitment, a new America!'

On this theme, a new national administration will take office tomorrow.

It is a theme that invokes no partisanship; it serves as a timely reminder to us all to approach our own duties with a fresh commitment.

It is therefore, appropriate that our Ninth State Legislature convenes on the eve of the impending change in our Nation's capital.

For the change offers us reason for the hope and optimism that, indeed, 'a new spirit, a new commitment' is upon us. We eagerly look forward to a new period of progress; we fully expect Hawaii to share in such progress, for we hold common objectives:

-- a domestic program targeted toward generating jobs for all who are able and willing to work.

-- to convert welfare checks and unemployment checks into paychecks.

-- economic, social, and educational standards based on the concept of equal opportunity and justice for all.

-- timely policy decisions to strengthen private industry's role as a partner in progress.

We are hopeful, for instance, that the Carter Administration will take prompt action to establish a more just policy to stabilize the domestic sugar market.

In Hawaii especially, the existing policy has caused serious troubles for our most important agricultural industry. Our sugar growers cannot long endure current marketing conditions, and if remedial steps are not taken soon, there will be serious economic distress throughout our State. For government, it will mean severe revenue losses and the prospect of drastic budgetary restrictions.

Nevertheless, we are encouraged by the early signals from the new administration. We are particularly pleased to note the accord reached with Congress for early action on the economic front.

For our part, mindful of our sovereignty and our responsibility to shape our own destiny, we are prepared to push forward with the Senate Majority Program, continuing to build upon legislation developed in the past two sessions. In the next few days, we will present the full dimensions of our 1977 program, and I will forego any detailed forecast of our plans at this time.

It should be noted, however, that

the context within which our program has been designed is our continuing concern over the state of our economy.

As with the rest of the Nation, a high rate of unemployment has troubled us for many months. This must be effectively curbed if we are to inspire genuine hope and confidence among our people.

In past sessions, we have enacted our own programs of public service employment to match counterpart federal programs for creating new jobs. There has been good public acceptance of these efforts.

But government alone cannot become a major hiring hall. Under our system, the broadest opportunities are generated in the private sector.

To stimulate the economy and to encourage new ventures and new business expansion -- by small and large businesses -- we propose incentive measures to promote employment.

One approach suggested is to grant tax credits on general excise tax liability -- with 'sunset' provisions -- to employers who hire new workers from the registered unemployment lists or from those surviving on public assistance grants.

Other tax incentives are possible, including limited exemption from higher property tax valuations for new capital improvements for business expansion.

Also worthy of consideration is the establishment of an Economic Development Commission to process low-interest loans for new businesses.

Existing legislation can also be polished up for current application. One example is the existing authority to issue State and county economic development bonds. Such bonds do not affect the State's debt limit and can be an attractive investment to the public because of their tax-free nature.

These are some of the tools that can be developed to stimulate greater activity in the private sector and thus promote new employment. Coupled with ongoing and prospective federal and State public service programs, we can begin to make meaningful impact on our economy and reduce unemployment measurably.

Another subject worthy of our most serious attention is energy. The fuel shortage of 1974 made us

all acutely conscious of our vulnerability in being so totally dependent on imported fossil fuels. It won't be long before world demands on energy resources take on renewed international dimensions.

It behooves us now to accelerate development programs for alternative sources of energy in Hawaii.

Last year, little-noted but important steps were taken to make the public more aware of the need to reduce our dependency on conventional systems. We amended our tax laws by extending credits and exemptions to encourage wider domestic and commercial use of solar energy devices and the installation of alternate energy improvements.

Considering the long-term savings to the consuming public, further incentives may well be worth considering to promote popular acceptance of solar heating systems in our Islands.

We should also move forward with greater determination in applied research projects for industrial-scale production of power, harnessing the wind, sun, sea, and geothermal energy potentials that are natural to our year-round environment.

While a measure of prudent selectivity is necessary, neither should we be overly cautious simply because of costs. Ultimately, successful development of alternate sources of energy will mean a greater degree of self-reliance in the future and will safeguard our people against international economic pressures that are certain to come.

In our desire to become more self-reliant, we have legislated programs to encourage development of a stronger and more diversified agricultural base. It is heartening to note that private industry has declared intentions for new agricultural investments on Kauai.

We commend the Administration for its role in promoting such plans; we urge appropriate agencies to be equally zealous in implementing those programs we have enacted for a more aggressive marketing program and for opening up agricultural parks.

In considering the executive budget recommendations, we are mindful of the Administration's desire to maintain a posture of fiscal integrity. The Senate shares this concern, and we will review all budget proposals carefully, scrutinizing all programs to insure that they are indeed serving the public's needs.

Admittedly, these are difficult times.

Nevertheless, the public expectation is geared to positive and constructive programs in the months ahead.

With due regard for current financial constraints, a measure of boldness and decisiveness is necessary to support the public's expectations.

Given the creativity and imagination with which we have developed many successful programs in the past, we can fashion innovative means of insuring progress despite such financial constraints as we may face today.

One thing is clear: we cannot stand still and expect the future to take care of itself. We must be willing to take some risks to strengthen our economic foundations.

In accepting our constitutional responsibility to set public policy, we seek the Administration's cooperation in implementing those policies adopted by the Legislature.

In weighing the many issues that will come before us in the weeks ahead, we welcome the Administration's input toward developing a workable program of progress for Hawaii.

The Senate and the Administration are committed to the attainment of common objectives, and there is no reason why we cannot be partners and work in concert in drafting the means by which such goals can be more effectively and speedily reached.

As in the past, we also welcome the constructive suggestions of all components of our community, for it is only by putting our best ideas together that the most meaningful solutions can be found for the advancement of our society.

Finally, I believe it fair to remind those organizations representing our loyal and dedicated public employees that the obligation to join in 'a new commitment' applies to everyone. We are thus hopeful that new collective bargaining agreements to be negotiated will be reached in such a spirit.

To be sure, the tasks ahead of us will not be easy. There are no simple solutions. They will require the best in all of us to resolve. But we have faced many past challenges and endured through more difficult times. We have done so by working together -- majority and minority.

Today, we are strengthened by a renewed sense of hope and optimism,

with 'a new spirit, a new commitment.'

Let us get on, then, to our duties in this spirit, for the sake of Hawaii and all her people.

Mahalo!"

Senator Yee, in response to the President's remarks, stated as follows:

"Mr. President, I have a few comments regarding your speech today and I agree that this is a very significant day for all of us and particularly for your party which faces tremendous challenges locally as well as nationally.

Your party controls the President of the United States, the United States Congress, our four congressional delegates, the mayors and councils of all of our islands, the Governor, Lieutenant Governor and both houses of this Legislature.

There should no longer be any excuses or 'passing of the buck' for any failure of programs. This is your responsibility and I don't envy you this awesome duty. We Republicans however will cooperate as we have done in the past.

Our State today is still beset by many of the same problems which were evident when our party came into power more than two decades ago.

The continuing problems of leasehold reform, increase in crime, housing shortages, faulty education and full employment still remain.

Of particular concern to me at this time is the threat to constitutional right to hold property. This right is now being challenged by moral and social values.

Today, the people of Hawaii are among the highest taxed in the nation. Our school system has graduated students who cannot adequately read and write.

Our University of Hawaii budget is being cut while we are wasting our money on the West Oahu campus.

As you have pointed out, our vital sugar industry is threatened. Our construction industry shows a high of 40% unemployment and our options for diversification in economy are not bright.

Most severe of all, this Legislature has abdicated much of its authority to the Executive branch of government and the Judiciary.

Mr. President, we Republicans know all of these problems that you

face and we offer you our continued support.

Thank you."

At 10:42 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:07 o'clock a.m.

Senator Yamasaki, on a point of personal privilege, then stated that on behalf of Senator Takitani and himself, he was proud to announce that the group who just performed was the Sing Out Maui group.

The President then announced

that Senator Soares will serve as a member of the Committees on Ecology, Environment and Recreation, Economic Development, Human Resources, Transportation and Ways and Means.

Senator Taira then expressed thanks and appreciation from the members of the Senate to the group from Tihati's Polynesian Revue and Sing Out Maui for their performance today.

ADJOURNMENT

At 11:12 o'clock a.m., on motion by Senator Taira, seconded by Senator Anderson and carried, the Senate adjourned until 11:30 o'clock a.m., Thursday, January 20, 1977.