

## FOURTH DAY

Monday, January 25, 1982

The Senate of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, convened at 9:30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Ms. Leona G. Salvador of the Christian Science Society of Wahiawa, after which the Roll was called showing all Senators present with the exception of Senators Abercrombie, Kobayashi, O'Connor and Yee who were excused.

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

At 9:37 o'clock a.m., the Senate stood in recess subject to the call of the Chair to meet in joint session with the House of Representatives in accordance with House Concurrent Resolution No. 1.

## JOINT SESSION

The Joint Session of the Senate and House of Representatives was called to order at 10:00 o'clock a.m., by the Honorable Henry H. Peters, Speaker of the House of Representatives.

At this time, the Speaker introduced to the members of the Joint Session the First Lady of Hawaii, Mrs. Jean Ariyoshi, and members of her family, Lieutenant Governor Jean King and Chief Justice William Richardson.

The Speaker also introduced dignitaries of the various Consular delegations:

Mrs. Armenia Adames de White, Honorary Consul General of Panama and the Dean of the Consular Corps of Hawaii;

Consul General Chong Hoon Kim from Korea;

Consul Hideo Tanaka, representing Consul General Enomoto;

Consul Polly S. Cancio, representing Consul General Alconcel; and

other members of the Consular Corps.

The Speaker then appointed the Committee from the Senate, composed of Senators Kuroda and Soares, and the Committee from the House, composed of Representatives Stanley, Hashimoto, Waihee and Ikeda to escort the Honorable George R. Ariyoshi, Governor of the State of Hawaii, to the rostrum.

Representative Stanley presented Governor Ariyoshi with a white carnation lei on behalf of the Senate and the House of Representatives.

The Speaker presented to the members of the Eleventh Legislature, the Honorable George R. Ariyoshi, stating:

"Members, ladies and gentlemen, it gives me a personal privilege to introduce to all of you the Governor of the State of Hawaii, the Honorable George R. Ariyoshi."

Governor Ariyoshi addressed the Joint Session as follows:

"Mr. President, Mr. Speaker, Madam Lieutenant Governor, members of the Consular Corps, members of the Eleventh Legislature, Mayors of the Counties, ladies and gentlemen:

"Aloha. Today is Chinese New Year, and I would appropriately like to extend my greetings to you: Kung Hee Fat Choy!

"I appreciate this opportunity to address the Legislature, and the citizens of our state. I want to review some of the progress we have made, working together, in the past -- for that allows us to take better aim at the future.

"I must concede that my tendency as an individual -- and this was true long before I became Governor -- is to focus on what needs to be done next, rather than dwell on the past.

"But, sometimes, a look at the past, as it relates to the present, and to the future, is important and essential.

"I propose to offer here today a straightforward review of what we have done in the past, and a guide to the things that we still must do.

"Let us begin by taking a moment to view this handsome room in which we have come together.

"It is so familiar to me, and to you in the Legislature, and to the members of the media, that it is easy to lose sight of its significance. But there is no other legislative hall in the world quite like it.

"Architecturally, this room -- and this entire capitol building -- is a tribute to the history, the culture, and the natural beauty of Hawaii. This building probably would not be standing on this spot if an Englishman named James Cook had not landed on Kauai a little more than 200 years ago. When Captain Cook and his men came ashore on these islands, the written history of Hawaii began.

"That history often has borne testimony to bitterness and anger. And, as we have heard from the eloquent testimony presented recently at public hearings held throughout our state, we still are dealing with the impact of Cook's landing. But, despite past and present difficulties and inequities, it is important for all of us to remember that Hawaii began in generosity.

"First, there was the generosity of the land, sharing its bounty with the ancient settlers who first arrived upon its shores.

"Then, there was the generosity of the early Hawaiians in welcoming the first foreigners who came from across the Eastern Pacific and who later were followed by other immigrants from across the Western Pacific.

"These islands were shared. And when we talk of regaining and redeeming those values that we prize in these islands, certainly generosity must stand at the head of the list. For, without a sense of generosity, there can be no community, there can be no civilization.

"Rooted here as we are, living here as we do, we cannot afford to represent a superficial public relations example of racial and religious harmony. Rather, we must enhance our understanding of the equality and the dignity of all men and women.

"Although my remarks today will be essentially affirmative and forward-looking, we must acknowledge at the outset that the problems that now plague our number one agricultural industry -- sugar -- obviously are going to have an impact on the lives of all of us.

"This past year has been a difficult year for sugar. This has led some to predict the demise of sugar in Hawaii.

"I do not share this pessimistic view.

"At the same time, I am not minimizing the seriousness of the situation which has led to the announced closing of one plantation, and possibly could lead to more, with all the human heartaches and dislocations that this involves.

"Since Congress decided to eliminate the Sugar Act more than eight years ago, our industry has been on a roller coaster ride...rising to the heights, and plunging to the depths. Unfortunately, we are in an economic valley at the moment.

"But, I am determined to offer whatever state assistance can be mounted, working in concert with the sugar industry itself.

"I am convinced that new, and innovative, efforts can be made.

"And I am convinced that even with the lack of understanding of this very essential industry at the national level, we will prevail.

"This period is a real challenge, and a new crisis in an industry that already has known too many challenges and crises. But the fact is that the industry has survived, and I am convinced that it will continue to survive, and to prosper, if all of us exert our best efforts and our most creative thinking.

"While unemployment of 5.3 percent in Hawaii looks good against the 8.9 percent national rate, any further decline in sugar can have a negative impact on our citizens and we must watch this very carefully.

"Now, permit me to report on the principal things we have accomplished during the past year.

"Shortly, my office will release a year-end report. It will contain a more detailed list of what your government has achieved. I know every citizen will have the opportunity to read it. I believe that our work, along with the work of the Legislature, has been constructive and impressive. And, to be honest about it, I hope our citizens will come to the same conclusion.

"Each thing that has been accomplished, it seems, leads to new challenges, to new things that must be accomplished tomorrow, but that is how progress is achieved.

"The serious public official knows that this work must be approached with a sense of steadiness and a sense of continuity. Though conflicts are inevitable, and sometimes even useful, the conscientious public official does not cultivate conflict or chaos. For he or she knows that what we do today does, indeed, set the tone for tomorrow.

"I've been in office for some time now, long enough to get a feeling for what's called 'the sweep of history,' and I can tell you that nothing we have done gives me a greater sense of solid achievement than the Hawaii State Plan, which is now the law of the land. Although it is not yet fully implemented, its presence is reassuring to me.

"I see the State Plan primarily as a great gift to our children. This state is the first and only state in the Union to legislatively adopt a 'blueprint for the future,' and that is because our own experience has given us a view of how fragile these beautiful islands really are.

"When I returned home from law school in 1952, I came home to a plantation economy -- the basic old historic Hawaiian economy. And one of the things most clear to me as I began to build a career as a lawyer in Honolulu was that if the economy had a wider base, we would all be better off.

"Along with many citizens, I was a strong proponent of the diversification and growth of Hawaii's economic base. And, though that growth was useful and necessary in the 60's and early 70's, after a decade of uncontrolled growth, we saw that it could not continue indefinitely along these avenues. We were losing our balance. We were losing our way.

"When my Administration proposed the State Plan concept four years ago, it was a revolutionary idea to many. And yet, I think we all came to understand that adopting it was a necessity if we were to avoid a thousand more complex problems a decade from now. We came to understand that the government of Hawaii was going to have to deal with the future of Hawaii. As I have said before, it was necessary for us to become the masters of our destiny, rather than the unwilling victims of circumstance. And so, today, we have our skeleton State Plan. But there is still more work for tomorrow. I have here in my hand, a copy of each of the 12 Functional Plans, and I strongly urge you to adopt them in the coming session.

"Let me read their titles, so everyone can appreciate their scope and how they affect our lives.

The State Agriculture Plan;

The State Housing Plan;

The State Water Resources  
Development Plan;

The State Tourism Plan;

The State Transportation Plan;

The State Energy Plan;

The State Historic Preservation  
Plan;

The State Recreation Plan;

The State Health Plan;

The State Education Plan;

The State Conservation  
Lands Plan; and

The State Higher Education Plan.

"Yes... we need these Functional Plans to flesh out the State Plan, to make it really work.

"The people themselves have spoken, in a 1981 survey, about our future path. They supported substantially -- 93 percent, in fact -- the concept of the state having a major role in planning for the future. And they also support the concept of having the state and the counties come together to share that planning role.

"I urge all of our citizens to become as familiar with the State Plan, and the Functional Plans, as we are here in the capitol building. This booklet, 'Where Does Hawaii Go From Here?' tells part of the story, and the rest of it can be found by reading the Functional Plans.

"Now, if you can't find the time to read all of them, then at least read the ones that directly affect your life. If you are working on the land or with the land, read the Agriculture Plan.

"If you're working in the visitor industry, read the Tourism Plan.

"If you think a highway should be widened, read the Transportation Plan.

"The fact is that these plans are going to have a powerful impact on your personal future. You owe it to yourself, and to your family, to find out what is going on -- and also to register an approval or a complaint.

"Hawaii is small enough, and personal enough, so that you can actually get in touch with the people who represent you, including me.

"We may not agree on everything, but an informed and concerned public is one of the best allies that a Legislature, and a Governor, can have.

"I fully recognize that possibly every legislator has certain reservations about certain plans, but given these reservations, let us find out what they are right here on the floor of the House -- or across the rotunda in the Senate Chambers. Let us grapple with the problems and the details. Let us grasp the nettles, whatever they may be. Let us make changes if we see they are needed. But let us, also, adopt Functional Plans this session which will bring life to the State Plan, and start the movement of Hawaii into an orderly, and planned future.

"The Administration awaits your favorable votes on the 12 plans, but in the meantime, we are moving ahead in a qualified way to implement that which can be implemented.

"Thus, the renovation and restoration of Aloha Tower, along with the development of an office building, shops, public areas, and a downtown hotel -- all of it now supported by your authorization of the sale of \$33 million in revenue bonds -- will become a reality.

"The bill sent to you last year which establishes a method of state control over the allocation of our precious water is within the boundaries and the spirit of the State Water Resources Development Plan.

"Our achievement in bringing in Hawaii's first geothermal generator plant on the Big Island last July also is within the spirit of the State Energy Plan.

"And, perhaps nowhere is the spirit of the State Plan more clearly revealed than in our approach to the development of agricultural park land. This has been going on for seven years now. The state develops the land -- nearly 1,000 acres by now -- and then leases it to people who know how to work it.

"Yes... the Functional Plans already are enjoying this Administration's support. And I do hope that the Legislature will act now so that our complete planning process will be implemented. At that time, this gift to our children will become more secure and meaningful.

"I turn now from a matter of pride to a matter of considerable concern.

"I am referring to crime in this state. Crime is perceived by the people -- and by this Administration -- as possibly the most dangerous and vexing problem we face.

"An obvious solution to most crime is to build a better society, one in which everyone shares equally in the abundance of the economy and the good things of

life.

"That is an ideal, but until this utopia is reached, we must combat crime -- which I have called a cancer growing in our society -- with all the means, and the energy, and the intelligence, that society can muster.

"We must discourage potential crime by taking a powerful and consistent stand against existing crime.

"To protect ourselves, we must become in some ways as tough as the criminal.

"During 1981, I convened four Governor's Conferences on Crime. Four times, we brought together all of the public officials with major responsibility for Hawaii's criminal justice system.

"This has never happened before. Much was accomplished in these meetings.

"They were long, and exhausting. But they provided a forum in which a dialogue that never before had existed was made possible.

"Many frustrations were relieved.

"Many cooperative efforts were initiated.

"Many innovative actions evolved.

"And importantly, proposed legislation emerged which is designed to strike at the heart of some of our crime problems.

"This portfolio of anti-crime measures is now being drafted, and will soon be on your desks for consideration.

"I am going to speak in some detail about this package which is designed to help us in our fight against crime.

"It is important, I feel, that our citizens know exactly what we have in mind. And it is also important that the criminal knows what we have in mind. With your help, and with your votes, we can turn this proposed anti-crime package into law.

"If it becomes law, we will be able to train more people to help with the serious business of protecting witnesses -- of keeping witnesses secure and safe in order that their testimony can be effectively used in court.

"If it becomes law, we will make bail a better tool of law enforcement by having the penalty for bail-jumping be the same as the penalty for the crime originally charged against the defendant.

"And the whole idea of bail will be redefined so that the amount of bail and the appropriateness of bail will help insure public safety.

"Our conferences came to important conclusions in the areas of criminal insanity and the claims of insanity. Under the proposed legislative package, the burden of proving insanity shifts to the defendant. We will also shift to the defendant the burden of proof of safety to the community after a person is acquitted by reason of insanity. And, if adopted, the statute will allow a new verdict -- 'Guilty, but mentally ill.'

"Whenever the condition of the human mind has to be defined by law, we move into an area where it is difficult to find agreement -- and impossible to find perfection. But the conferences agreed in principle that these proposed moves would limit the present use of the insanity defense, and therefore, would improve public safety.

"Our four conferences also focused on the importation, the sale, and the use of illegal drugs. Under proposed legislation, the government would be able to confiscate the implements of marijuana cultivation, as well as the property on which it is being grown. And since marijuana is illegally grown on public land, a further penalty would be a mandatory jail term for the cultivation of it.

"Finally, a new law would state that the use of a firearm in the commission of a felony would carry a mandatory prison term.

"Obviously, decisions affecting human lives, and freedoms, and safety, must be made very carefully, and I fully expect the anti-crime package we submit to the Legislature to receive considerable scrutiny and examination. This is as it should be. But at the same time, I feel that it is essential, and imperative, that we act now to protect the vast majority of our citizens from the minority that would do it harm and injury.

"We are continuing to make progress in other areas in our fight against crime.

"In the past two years, the state government, with your help, has provided the counties \$1.5 million to support the Career Criminal Program. Two hundred and fifty criminals

have been convicted as a result. These are people who were making a career out of crime.

"Then, too, there is the community restitution program on the Neighbor Islands.

"Under this plan, a judge can sentence a non-dangerous criminal to community service instead of a term in jail, probation, or a fine.

"Last year alone, 800 offenders did 38,000 hours of public work.

"And I should note too that by placing a larger number of officers on duty in our parks and mountain areas, we have made these areas safer for everybody.

"Let me assure you that we are determined to protect the community. Let me assure you that we are determined that our society will not be in permanent bondage to anybody.

"It is heartening that what is considered to be 'serious crime,' decreased in Hawaii by 11 percent in the first nine months of last year. However, none of us should take pride in this decline.

"Every crime is an insult to another human being.

"It does them damage.

"It injures them economically.

"Oftentimes, it hurts them physically.

"And, sometimes, it kills them.

"Crime, and the roots of crime, cannot be tolerated, and this Administration is determined to attack this disease in our society with all possible means.

"At this point, I would like to say a word about our judicial and correctional systems.

"There is a perception that in Hawaii, we are soft on criminals, that the Judiciary is soft and that the Parole Board is soft. But, the fact is, the system has responded to the need to get tougher.

"Hence, we find the courts sentencing more people to prison and the Parole Board letting fewer people out of prison.

"As a result, the prison population has gone from 216 to 709 from 1975 to 1981, more than a threefold increase. The average length of imprisonment has doubled, from 25 months to 50

months -- longer than anywhere else in the United States.

"So, while none of us takes pleasure in confining people, the figures indicate a genuine effort to offer protection to our society.

"For most citizens in our state, the subject of taxes is, like the subject of crime, difficult and distasteful. But, here in Hawaii, I am happy to say that our tax record is superior. Since I have been Governor, there has been no increase in income or excise tax rates, and there has been a General Fund surplus every year. The treasury of Hawaii is one of the few in our nation that today has a surplus.

"We have a surplus because revenues generally have held up to expectations, but, also, because we have been prudent.

"We have a surplus because often I have had to say 'No' to certain projects, or operations, instead of 'Yes.'

"These are not easy personal experiences for me, and, certainly not beneficial political episodes. But they were necessary ones if we were to maintain the monetary integrity and stability of this state, and if we were to be faithful to all of our people.

"At the same time, I take pride in the fact that we have provided outstanding governmental services to our people while maintaining a strong financial foundation for this state.

"From time to time, you, in the Legislature, and I have disagreed on what is the right amount to spend. There have been times when I have not felt it was prudent to spend the entire amount you have authorized. But we have worked out the differences. And, so, while most states are having great financial problems, we have a surplus of more than \$231 million, as of June 1981.

"In the last session, the Legislature granted a \$100 tax rebate to every resident of Hawaii. For an average family of four, that is \$400.

"Because of the financial stability of this state, I am submitting legislation this session that would eliminate the four percent tax on prescription drugs.

"At the same time, I am proposing that we give a permanent annual \$50 tax credit-rebate to every resident of Hawaii.

"I realize there is a considerable movement, and even a great emotional appeal, for the removal of the four percent excise tax on food, as well as prescription drugs.

"My position is, and remains, that removing the excise tax on food does not benefit

our permanent residents as much, or as directly, as does the tax rebate.

"Many visitors, come to Hawaii and stay a number of months. Many of them live in apartments with cooking facilities, and they shop in our food stores.

"Since these visitors, welcome as they are, pay no income taxes to the State of Hawaii which provides them with many of the services they utilize, the removal of the 4 percent excise tax on food would provide them with a 'free-ride' in Hawaii.

"A permanent tax credit-rebate for each resident of Hawaii -- man, woman, and child -- will offset the taxes paid on food. The average expenditure on food is \$1,300 a year. Four percent of that comes out to approximately \$50, and that is how we arrived at this figure. Importantly, it will only go to the residents of Hawaii.

"It would be the cheapest and most efficient way of providing this relief.

"While we are talking taxes and finance, I would like to point out to the Legislature, and our people, a substantial problem we are now facing. It is having a severe impact on us.

"I have supported, to a point, the Reagan Administration's efforts to cut down on government spending and, also reducing a huge, and sometimes, unwieldy federal bureaucracy.

"Without question, many of us have felt that the federal government in some areas has gotten 'out of hand;' that there were too many programs, too many regulations, and too much paper work.

"That is agreed. But I have become increasingly concerned with the Reagan Administration's efforts to 'unload' critical programs to the states, without providing a transition period, without providing sufficient resources, and without allowing the states the needed flexibility to decide.

"Even with the most stringent management, there is no way that a state government can compensate in some instances for a 25 percent budget reduction simply through a savings in 'overhead.'

"I know that many people in our community have begun to feel the

jolt of what some knowledgeable Washington observers have called a revolutionary shift in the direction of the federal government. Clear and definitive information about the specifics of these changes -- particularly regarding reductions in the federal budget -- has been extremely slow in coming.

"As we enter the second quarter of the federal fiscal year, we still do not have all of the exact numbers on monies available to finance federally-mandated programs.

"Distressing as this lack of information is, even more distressing is that the states are now being asked, in certain areas, to return to the first fiscal quarter and cut some more. This is like asking a citizen to spend less of what has already been spent at already reduced levels.

"This is an extremely unsettled, and unsettling, period. It is most important that all of us, here in Hawaii, work together to establish, and refine, our priorities.

"There will be great demands for the state government to pick up the programs which have been affected by federal budget cuts. While we may look at selective programs, the state cannot make up for all of these cuts.

"Turning to something more affirmative, permit me to speak with pride on what is happening in this state in the field of energy.

"Scientists from all over the world are coming here to learn how we are lessening our dependence on oil.

"At the beginning of the energy crunch, more than half a decade ago, Hawaii was the state most dependent on oil, but we have moved away faster from this dependency than any other state.

"Last July, a geothermal generating plant on the Big Island started up.

"This project not only will be a functioning source of energy, but also will provide essential information for similar projects on all islands.

"A huge experimental windmill has been built on Oahu.

"Because of its success, a private firm has plans to build 20 windmills that will provide 80 megawatts of electricity, which is nearly nine percent of Oahu's present electricity needs.

"The burning of bagasse for energy is also being conducted on a commercial scale.

"One of my jobs when I was Lieutenant Governor was to work with the sugar companies to meet the EPA restrictions on dumping bagasse into the ocean -- where it was a pollutant. Now, this former pollutant has been turned into power, providing about one-half of the electrical energy used on the islands of Hawaii and Kauai, and about one third on the island of Maui.

"One of the most remarkable experiments and achievements -- and one that possibly has attracted the most attention because of its newness -- is our state's development of OTEC generators, which uses the difference in temperature between the cold waters of the deep ocean and the warm surface waters to power electric generators. OTEC refers to Ocean Thermal Energy Conversion.

"When I hear experts from the Mainland talking about things such as coal gasification, and when I hear that there are 300 years of coal beneath the Western States, and when I hear how difficult it will be to get to that coal without destroying the land itself -- my response is that here in Hawaii we are developing practical new energy resources that will last forever.

"From the wind... from the sun... from the ocean.

"Without question, Hawaii is the leader of our nation, and possibly the world, in the essential search for alternative energy resources. I am convinced, too, that Hawaii will become the first electrically self-sufficient state in our country.

"We have made great strides here, and we have achieved much. In recognition of this, our state will host an international energy conference in August.

"There is a definite element of hope and imagination in what we have accomplished here that I find inspiring. So let us continue to add hope and imagination to the values that we want to retain in Hawaii. There surely is nothing new about them. All the people who came to Hawaii carried in their vessels a cargo of hope. And only people of imagination could have built what we all have worked together to build here in Hawaii.

"Other pioneering efforts in this state have taken aquaculture from the experimental to the commercial, and have produced, with state

encouragement and support, a new industry which produces prawns, marine shrimps, and oysters.

"The enhancement of our third largest export industry -- the Hawaii garment industry -- through marketing agreements with the Hawaii Fashion Guild, and through the training of people to work in the industry, has resulted in a physical, and profitable, extension of Hawaii throughout the world.

"The Hawaiian International Fashions Trade Show last September created \$2.5 million in sales.

"Hawaii has been successfully promoted as a site for motion pictures, television shows, and commercials.

"The \$4.5 million public-and-private sector programs, called HAWAII/82, is our most powerful effort so far to promote our number one source of income -- tourism.

"Arrangements with producer-associations to promote and market a wide range of agricultural products have resulted in significantly increased sales. These include papayas...taro...guava...anthurium...protea...dendrobiums...coffee... and, of course, the goods grown and manufactured in this state.

"Hawaii has one of the best, and most flexible, Foreign Trade Zones in the United States -- a zone that received a Presidential award for excellence.

"A substantial expansion of senior citizen centers and lunch sites has been accomplished. Also, the remarkable Senior Companion Program, in which our seniors become volunteers to help the needy and disabled has been expanded.

"A continuous upgrading of the facilities of our schools and our university has represented a high priority. Almost \$200 million has been spent for public school improvements, and \$170 million for new classrooms and laboratories and student housing at the University's campuses. Ours is a state that has and continues to provide strong support for education.

"Nearly \$30 million has been spent to improve community drinking water systems, and \$8 million to take hazardous asbestos out of our schools.

"An accelerated parks program has led to the creation of 13 new state parks.

"In the field of health, major additions and improvements have been made to the Hilo, Kona, the Maui Memorial, Kauai

Veterans, and the Samuel Mahelona Hospitals, and to three new regional health centers on Oahu. Organized ambulance services have been extended to all islands in a statewide Emergency Medical Services Program.

"Persistent prosecution of fraud and other abuses in welfare and health services, and in unemployment insurance benefits, have saved many taxpayer dollars.

"The Career Kokua Program at many schools in our state has provided job opportunity information for our students.

"Airports, highways, and harbors -- our economic lifelines -- are the focus of constant improvement which will continue.

"The development of 5,600 new housing units for low and moderate income families, and the remarkably successful HULA MAE lower interest mortgage program, have provided a margin of relief in the exceedingly difficult real estate market.

"The construction of 1,300 new homes for qualified Hawaiians on Hawaiian Homestead land, represents more housing in the past six years than in the previous 30 years.

"Our precious past has not been neglected either. The restoration of the birthplace of Kamehameha the First...the acquisition of Kamao Point for future restoration... and the historical site restoration now going on at Iolani Palace and Iolani Barracks -- just a few hundred feet from where we meet this morning. These projects prove that this state, and our people, have more than an historic concern for the Hawaiian past. We have an affection for it, too.

"Finally, let me turn from these very specific accomplishments to something that I see as a great future opportunity for all of us. These islands are the pivotal point in the Pacific, and the Pacific Basin, today, increasingly is a principal trading area of the United States. Based on recent trends, the projected trade increases for the future are dramatic and impressive.

"The Pacific Basin is also a vast treasure house of natural resources, particularly in oceanic mining and in fisheries. In the near future, this area, with two-thirds of the world's population, is going to explode

with economic activity.

"There is a spirit of independence, of hope, and of zest, that pervades this vast basin today. It is an exciting time. And it is a time of great opportunity for us.

"Our membership in the Pacific Basin Development Council and our membership in the Pacific Island Conference, are substantial first steps. But in the time ahead, we can use our financial base, our educational base, our information base, our research and technical facilities, our market opportunities, and our understanding of the various cultures, to take the lead in dealings with the Pacific Ocean Area. We have much to offer the people of the Pacific. And, they, in turn and in many ways, can enrich our lives.

"We are the logical Americans to carry this great work forward. The opportunity is so vast that it is sometimes diffused and difficult to see. But only as we see it can we grasp it, and only as we grasp it can we truly lead. This is our chance, and it would be a terrible mistake to let it pass by through the lack of vision. As with our concern and our approach to energy -- let us once again exercise our hope and our imagination in this very vital area.

"In closing, let me say a few words of thanks. A person does not run for office alone, and after he is elected, he does not govern alone. And, so, to you members of the Senate and the House, let me thank you for your work and your help, not only in the past year but in the earlier years, too.

"We have argued, to be sure, but that is what the process is all about. I want the people to know that this dedicated group of individuals who make up the Legislature -- my political allies, and possibly my political adversaries, are a precious asset to the people of the state.

"And my appreciation goes to another group -- the mayors of our state. It is essential for the state administration to establish a viable working relationship with the mayors and the councils of our counties for it is the responsibility of all government -- at all levels -- to serve the people.

"And I cannot fail to express my appreciation to those who represent us in Congress, and who represent our link to the rest of our Nation, and to the world.

"In my 1977 State of the State address, I said these words:

'I think we share a common dream for Hawaii, a dream of programmed expansion and a better life for all.

'To do this, we must be the masters of our fate. Then, we can forge ahead, with the confidence of success that is so essential to achieving the dream all of us have for our beloved Hawaii.

'We have moved this state forward on the guidelines of the goodness of man and the opportunities and justice for all.

'We have made many decisions, most of them right, I feel; some of them wrong. We have not eliminated our problems and probably never will. There always will be problems to tax our courage and our determination to move this state forward along prudent paths, to reject the simple and expedient solution, in favor of what will be the best for our people in the years to come.

'We have come so far, my friends, in such a short time that sometimes we lose sight of our progress and tend too much to dwell on our problems. Problems we have. Of that, there can be no doubt.

'But none of them are unsolvable. Working together, we will arrive at the solutions. Of that, I have no doubt.'

"These words were valid in 1977, and they are valid in 1982.

"We have made considerable progress in achieving, and articulating, our destiny, and I am confident we will continue to do so.

"There is no question that geographically we are islands in a vast ocean, but we are not, cannot be, and should not be, islands either socially, economically, or culturally.

"From this relatively insignificant land mass in the middle of the Pacific, a giant culture has emerged.

"It is a culture, and a way of life that pays tribute to the essential dignity of all people, regardless of ethnic origins, and economic circumstances.

"This is our heritage, and this is our unique offering to the world.

"Carl Sandburg, one of America's

foremost authors and philosophers, once wrote that the story of America was the story of people arriving. If there is verity to these words, Hawaii is its affirmation.

"Our society, truly, is composed of 'people arriving,' whether it be the first Polynesians braving the uncharted seas in outrigger canoes, or the latest immigrants arriving on a 747.

"Ours, very definitely, is a story of 'people arriving,' and of a people achieving success, and respect, and dignity.

"We hold in our hands the instruments to further mold, and to shape, and to refine our society.

"Let us use them wisely.

"Mahalo and Aloha."

Senate President Wong then rose and stated:

"Governor Ariyoshi, thank you very much for sharing with the Legislature your aspirations and dreams for a better

Hawaii. I can assure you that, in the coming weeks, we, in the Legislature will consider carefully the specific legislative proposals submitted by your Administration. I hope we can work together cooperatively to carry out the aspirations and dreams that you and we share together.

"If there be no further discussion by the members in this joint session, I hereby declare this Joint Session adjourned."

At 10:50 o'clock a.m., the President declared the Joint Session with the House of Representatives adjourned.

The Senate reconvened at 10:55 o'clock a.m., with the President in the Chair.

#### ADJOURNMENT

At 10:57 o'clock a.m., on motion by Senator Cobb, seconded by Senator Anderson and carried, the Senate adjourned until 11:30 o'clock a.m., Tuesday, January 26, 1982.