

FORTY-FIRST DAY

Thursday, March 25, 1982

The Senate of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, convened at 11:30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Mr. Rick Lazor of the Nuuanu Baptist Church, after which the Roll was called showing all Senators present with the exception of Senators Ajifu, Machida and Mizuguchi who were excused.

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

The following introductions were then made to the members of the Senate:

Senator Anderson introduced 40 members of the Ewa Hui Aloha Senior Citizens Club.

Senator Toyofuku then introduced 15 members of the Kauai Community College Business Club and their advisors, Carolyn Uohara and Ray Nishikawa.

MESSAGE FROM THE GOVERNOR

A message from the Governor (Gov. Msg. No. 185), transmitting copies of the Kaka'ako Community Development District Plan, February 1982, together with "A Summary of the Kaka'ako Community Development District Plan," prepared by the Hawaii Community Development Authority, was read by the Clerk and was referred to the Committee on Housing and Hawaiian Homes.

At 11:42 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:43 o'clock a.m.

HOUSE COMMUNICATIONS

The following communications (Hse. Com. Nos. 318 and 319) were read by the Clerk and were disposed of as follows:

A communication from the House (Hse. Com. No. 318), returning Senate Bill No. 2197-82, which passed Third Reading in the House of Representatives on March 24, 1982, was placed on file.

A communication from the House (Hse. Com. No. 319), transmitting House Concurrent Resolution No. 124 which was adopted by the House of Representatives on March 25, 1982,

was placed on file.

Senator Saiki moved that H.C.R. No. 124 be adopted, seconded by Senator Kuroda.

Senator Kawasaki then rose to remark as follows:

"Mr. President, while I'm voting for this resolution, probably, it's not accepted with much enthusiasm over in the House. I notice only one signature on the resolution... that of the chairman of the House Higher Education Committee. I suppose in the wake of some of the things that have happened over at the University of Hawaii, you can't blame some people for not being overwhelmed with enthusiasm for the adoption of this resolution."

Senator Abercrombie added:

"Mr. President, speaking in favor of the resolution, I would indicate as far as I am concerned, I will be far more happy with the University when it puts more emphasis on program rather than on building. Thank you."

The motion was put by the Chair and H.C.R. No. 124, entitled: "HOUSE CONCURRENT RESOLUTION CONGRATULATING THE UNIVERSITY OF HAWAII ON ITS SEVENTY-FIFTH ANNIVERSARY," was adopted.

SENATE CONCURRENT RESOLUTIONS

The following concurrent resolutions (S.C.R. Nos. 48 to 50) were read by the Clerk and were disposed of as follows:

A concurrent resolution (S.C.R. No. 48), entitled: "SENATE CONCURRENT RESOLUTION URGING THE UNITED STATES CONGRESS TO GRANT RESTITUTION FOR AMERICANS OF JAPANESE ANCESTRY," was offered by Senator Abercrombie.

By unanimous consent, S.C.R. No. 48 was referred to the Committee on Judiciary.

A concurrent resolution (S.C.R. No. 49), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING IMMEDIATE ACTION ON THE COMPENSATION PLANS OF SECRETARIAL CLASSES WITHIN THE CIVIL SERVICE," was offered by Senator Abercrombie.

By unanimous consent, S.C.R. No. 49 was referred to the Committee on Human Resources.

A concurrent resolution (S.C.R. No. 50), entitled: "SENATE CONCURRENT RESOLUTION REGARDING THE EQUAL RIGHTS AMENDMENT TO THE HAWAII STATE CONSTITUTION AND RATIFICATION OF THE PROPOSED AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES PROVIDING FOR EQUAL RIGHTS UNDER THE LAW WITHOUT REGARD TO SEX," was offered by Senators O'Connor, Young, George, Kobayashi, Toyofuku, Mizuguchi, Yamasaki, Soares, Carpenter, Ajifu, Campbell, Holt, Kuroda, Cobb, Abercrombie, Cayetano, Yee, Henderson, Machida and Wong.

By unanimous consent, S.C.R. No. 50 was referred to the Committee on Judiciary.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 62 to 66), were read by the Clerk and were disposed of as follows:

A resolution (S.R. No. 62), entitled: "SENATE RESOLUTION REQUESTING THE GOVERNOR TO BUILD A RESIDENTIAL CARE FACILITY AT HALE MOHALU, PEARL CITY," was offered by Senator Abercrombie.

By unanimous consent, S.R. No. 62 was referred to the Committee on Health.

A resolution (S.R. No. 63), entitled: "SENATE RESOLUTION DECLARING THE WEEK OF MAY 8 THROUGH 15, 1982 HAWAII GIFTED AND TALENTED CHILDREN'S WEEK," was offered by Senators Abercrombie, Kuroda, Carpenter, Kobayashi, Campbell, Saiki, Ajifu, Anderson, Holt, Wong, Yamasaki, Kawasaki, Cayetano, Young, Toyofuku, Yee, Soares, Henderson, Machida, Mizuguchi, Cobb, Uwayne and George.

On motion by Senator Abercrombie, seconded by Senator Kuroda and carried, S.R. No. 63 was adopted.

A resolution (S.R. No. 64), entitled: "SENATE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO EXPLORE ALTERNATIVE MEANS OF ASSURING THE CONTINUANCE OF SUMMER SESSIONS AT THE COMMUNITY COLLEGES," was offered by Senators Saiki, George, Kobayashi, Soares, Yee, Abercrombie and O'Connor.

By unanimous consent, S.R. No. 64 was referred to the Committee on Higher Education.

A resolution (S.R. No. 65), entitled: "SENATE RESOLUTION REGARDING THE EQUAL RIGHTS AMENDMENTS

TO THE HAWAII STATE CONSTITUTION AND RATIFICATION OF THE PROPOSED AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES PROVIDING FOR EQUAL RIGHTS UNDER THE LAW WITHOUT REGARD TO SEX," was offered by Senators O'Connor, Young, George, Kobayashi, Toyofuku, Mizuguchi, Yamasaki, Soares, Carpenter, Ajifu, Campbell, Holt, Yee, Kuroda, Cobb, Abercrombie, Cayetano, Henderson, Machida and Wong.

By unanimous consent, S.R. No. 65 was referred to the Committee on Judiciary.

STANDING COMMITTEE REPORTS

Senator Young, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 533-82) informing the Senate that Senate Concurrent Resolution Nos. 48 to 50, Senate Resolution Nos. 62 to 65 and Standing Committee Report Nos. 534-82 to 570-82 have been printed and distributed to all members of the Senate:

On motion by Senator Young, seconded by Senator George and carried, the report of the Committee was adopted.

At 11:46 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:54 o'clock a.m.

Senator George, for the majority of the Committee on Transportation, presented a report (Stand. Com. Rep. No. 534-82) recommending that House Bill No. 2806-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator George, seconded by Senator Kawasaki and carried, the report of the majority of the Committee was adopted and H.B. No. 2806-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC CONTRACTS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator George, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 535-82) recommending that House Bill No. 2637-82, H.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator George, seconded by Senator Kawasaki and carried, the report of the Committee was adopted and H.B. No. 2637-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Kawasaki, for the Committee on Government Operations and Intergovernmental Relations, presented a report (Stand. Com. Rep. No. 536-82) recommending that Senate Concurrent Resolution No. 15, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Kawasaki, seconded by Senator Kuroda and carried, the report of the Committee was adopted and S.C.R. No. 15, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE ADOPTION OF A STATEWIDE POLICY OF CONTRACTING PUBLIC SERVICES WHENEVER IT IS COST-EFFECTIVE AND DOES NOT INVOLVE PUBLIC SAFETY," was referred to the Committee on Ways and Means.

Senator Kawasaki, for the Committee on Government Operations and Intergovernmental Relations, presented a report (Stand. Com. Rep. No. 537-82) recommending that Senate Resolution No. 13, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Kawasaki, seconded by Senator Kuroda and carried, the report of the Committee was adopted and S.R. No. 13, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE ADOPTION OF A STATEWIDE POLICY OF CONTRACTING PUBLIC SERVICES WHENEVER IT IS COST-EFFECTIVE AND DOES NOT INVOLVE PUBLIC SAFETY," was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 538-82) recommending that House Bill No. 2010-82 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2010-82, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF CERTAIN PERSONS UNDER THE CRIMINAL INJURIES COMPENSATION ACT AND PROVIDING APPROPRIATIONS THEREFOR," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 539-82) recommending that House Bill No. 2155-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2155-82,

H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSONS' CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 540-82) recommending that House Bill No. 2359-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2359-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WITNESS SECURITY AND PROTECTION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 541-82) recommending that House Bill No. 2559-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2559-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PAYMENT OF SETTLEMENT BETWEEN THE STATE OF HAWAII AND DILLINGHAM CORPORATION DBA HAWAIIAN DREDGING AND CONSTRUCTION COMPANY," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 542-82) recommending that House Bill No. 2674-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2674-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 543-82) recommending that House Bill No. 2679-82 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2679-82, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COUNSEL AND OTHER SERVICES FOR INDIGENT DEFENDANTS IN CRIMINAL AND RELATED CASES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 544-82) recommending that House Bill No. 2333-82, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 2333-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LEGISLATIVE REFERENCE BUREAU," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Carpenter, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 545-82) recommending that House Bill No. 2507-82 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Carpenter, seconded by Senator Cayetano and carried, Stand. Com. Rep. No. 545-82 was adopted and H.B. No. 2507-82, entitled: "A BILL FOR AN ACT RELATING TO TRIALS," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Young, for the Committee on Housing and Hawaiian Homes, presented a report (Stand. Com. Rep. No. 546-82) recommending that House Bill No. 2113-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Young, seconded by Senator Holt and carried, the report of the Committee was adopted and H.B. No. 2113-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Abercrombie, for the Committee on Education, presented a report (Stand. Com. Rep. No. 547-82) recommending that House Bill No. 2426-82, H.D. 2, as amended in S.D. 1, pass Second

Reading and be referred to the Committee on Ways and Means.

On motion by Senator Abercrombie, seconded by Senator Kuroda and carried, the report of the Committee was adopted and H.B. No. 2426-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AN AUTOMATED, ONLINE CIRCULATION SYSTEM FOR THE PUBLIC LIBRARIES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Abercrombie, for the Committee on Education, presented a report (Stand. Com. Rep. No. 548-82) recommending that House Bill No. 2767-82, H.D. 3, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Abercrombie, seconded by Senator Kuroda and carried, the report of the Committee was adopted and H.B. No. 2767-82, H.D. 3, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Abercrombie, for the Committee on Education, presented a report (Stand. Com. Rep. No. 549-82) recommending that House Bill No. 3051-82, H.D. 2, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Abercrombie, seconded by Senator Kuroda and carried, the report of the Committee was adopted and H.B. No. 3051-82, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 550-82) recommending that House Bill No. 765, H.D. 2, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 765, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC OFFICERS AND EMPLOYEES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 551-82) recommending that House Bill No. 1974-82, H.D. 2, pass Second Reading and be referred to the Committee

on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 1974-82, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC PURCHASING," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 552-82) recommending that House Bill No. 2571-82, H.D. 2, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 2571-82, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT OF ATTORNEYS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 553-82) recommending that House Bill No. 2850-82 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 2850-82, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 554-82) recommending that House Bill No. 2907-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 2907-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 555-82) recommending that House Bill No. 2348-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Senator Cobb, seconded by Senator Uwaine and carried, the report of the Committee was adopted and H.B. No. 2348-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO METAL AND GEM DEALERS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 556-82) recommending that House Bill No. 2385-82, H.D. 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Senator Cobb, seconded by Senator Uwaine and carried, the report of the Committee was adopted and H.B. No. 2385-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL LIABILITY IN MOTOR VEHICLE ACCIDENT REPARATIONS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 557-82) recommending that House Bill No. 2511-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Cobb, seconded by Senator Uwaine and carried, the report of the Committee was adopted and H.B. No. 2511-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMPLIANCE RESOLUTION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 558-82) recommending that House Bill No. 2669-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Cobb, seconded by Senator Uwaine and carried, the report of the Committee was adopted and H.B. No. 2669-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXECUTIVE DEPARTMENTS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 559-82) recommending that House Bill No. 2175-82 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2175-82, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 560-82) recommending that House Bill No. 2178-82 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2178-82, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES AND WILDLIFE," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 561-82) recommending that House Bill No. 2208-82, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2208-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE USE OF QUALIFIED STATE APPRAISERS AS WELL AS INDEPENDENT APPRAISERS TO DETERMINE THE VALUE OF REMNANTS," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Saiki, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 562-82) recommending that House Bill No. 2210-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Saiki, seconded by Senator Cobb and carried, the report of the Committee was adopted and H.B. No. 2210-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE HIGHER EDUCATION LOAN FUND," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Uwaine, for the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 563-

82) recommending that House Bill No. 2349-82, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Uwaine, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 2349-82, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 564-82) recommending that House Bill No. 77, H.D. 3, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 77, H.D. 3, entitled: "A BILL FOR AN ACT RELATING TO LEASING OF OCEAN AND MARINE RESOURCES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 565-82) recommending that House Bill No. 1970-82, H.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 1970-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 566-82) recommending that House Bill No. 2043-82, H.D. 2, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2043-82, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A SOLAR ENERGY DEVICE AND HEAT PUMP LOAN FUND," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented

a report (Stand. Com. Rep. No. 567-82) recommending that House Bill No. 2207-82, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2207-82, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCENTIVES FOR SOLAR ENERGY DEVICES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 568-82) recommending that House Bill No. 3067-82 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 3067-82, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A FEASIBILITY STUDY FOR AN AUGMENTED PACIFIC FLEET SUPPORT PROGRAM," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 569-82) recommending that House Bill No. 2176-82, H.D. 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2176-82, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Henderson, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 570-82) recommending that House Bill No. 2177-82, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Henderson, seconded by Senator Yee and carried, the report of the Committee was adopted and H.B. No. 2177-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FOREST AND WATER RESERVE ZONES," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 571-82) recommending that House Bill No. 2934-82, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator Uwaine and carried, the report of the Committee was adopted and H.B. No. 2934-82, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII BANK ACT OF 1931," passed Second Reading and was placed on the calendar for Third Reading on Monday, March 29, 1982.

Senators Ajifu and Uwaine, for the majority of the Committee on Agriculture and the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 572-82) recommending that House Bill No. 698, H.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Uwaine and carried, the joint report of the majority of the Committees was adopted and H.B. No. 698, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," passed Second Reading and was referred to the Committee on Ways and Means.

Senators Ajifu and Uwaine, for the majority of the Committee on Agriculture and the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 573-82) recommending that House Bill No. 699, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Uwaine and carried, the joint report of the majority of the Committees was adopted and H.B. No. 699, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Ajifu, for the majority of the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 574-82) recommending that House Bill No. 2336-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Kobayashi and carried, the report of the majority of the Committee was adopted and H.B. No. 2336-82, H.D. 2, S.D. 1, entitled: "A BILL FOR

AN ACT MAKING AN APPROPRIATION FOR SUGAR RESEARCH AND DEVELOPMENT," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Ajifu, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 575-82) recommending that House Bill No. 2367-82, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Kobayashi and carried, the report of the Committee was adopted and H.B. No. 2367-82, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LOANS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Ajifu, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 576-82) recommending that House Bill No. 2378-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Kobayashi and carried, the report of the Committee was adopted and H.B. No. 2378-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION OF AGRICULTURAL ACTIVITIES," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Ajifu, for the majority of the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 577-82) recommending that House Bill No. 2710-82, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Ajifu, seconded by Senator Kobayashi and carried, the report of the majority of the Committee was adopted and H.B. No. 2710-82, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LOANS TO SUGAR GROWERS," passed Second Reading and was referred to the Committee on Ways and Means.

ORDER OF THE DAY

MATTER DEFERRED
FROM MARCH 24, 1982

THIRD READING

Standing Committee Report No. 233-82 (H.B. No. 798, H.D. 1, S.D. 2):

By unanimous consent, Stand. Com.

Rep. No. 233-82 and H.B. No. 798, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTEREST ON UNDERPAYMENTS AND OVERPAYMENTS," were recommitted to the Committee on Ways and Means.

RE-REFERRAL OF SENATE CONCURRENT RESOLUTION

The President re-referred Senate Concurrent Resolution No. 46, which was offered on Wednesday, March 24, 1982, jointly to the Committee on Ecology, Environment and Recreation and the Committee on Economic Development, then to the Committee on Ways and Means.

At this time, Senator Cayetano rose on a point of personal privilege and stated:

"Mr. President, I want to talk about the recommitment of House Bill No. 798.

"The bill, as I understand it, seeks to address a problem...and, incidentally, I respect the chairman's decision to recommit the bill...but I just want to raise this issue...the bill, as I understand it, goes to resolving a problem which the state is faced with.

"The interest rate on delinquent payments on states taxes, as I understand it, is eight percent. We all know that in money market certificates today the interest rate is 15%- 16% and that is precisely what is happening. People who are in business who have money to pay taxes have, instead of paying their state taxes, gone to the banks and invested their money in money market certificates, etc. Well, the loser, of course, is the state...eight percent interest versus sixteen percent money market certificate. Why should the guy pay his taxes, he makes eight percent on the deal. This is rather foolish and this bill was introduced to deal with that problem.

"Now that we are recommitting the bill, we're really taking the easy way out. I would have preferred that the bill was put for vote.

"There were about three different amendments and I thought this is what the process is about. You have a bill, you introduce amendments and you discuss them, then you see what happens.

"Let's not run away from the problem."

The Chair responded: "Senator Cayetano, this bill (H.B. No. 798) has been discussed for several days. There were different amendments offered.

In the best interest of all parties concerned, the chairman felt that the views were so strong on both sides it would be better to take a look at the bill during the interim and come up with something that is palatable to everyone.

"In cases like this, Senator Cayetano, we've always allowed the chairman the discretion to recommit a measure."

Senator Cayetano further responded and stated:

"Mr. President, I respect that discretion, however, whenever we exercised discretion in this chamber, it was always subject to scrutiny by anyone of us.

"All I'm saying is that now the state is left with holding the bag, so to speak, because this problem will continue for another year. I had an amendment to deal with the problem; Senator Kawasaki had one; I think Senator Cobb had one also. Eventually, one of those amendments would have won out or the bill, as the chairman wanted, would have passed.

"It is not an ordinary type of measure. It deals with tax revenues of our state, and having already given away approximately \$71 million, according to Mr. Freitas, his addition includes the bills from both houses, I think that the state should win one for once."

Senator O'Connor added his remarks and stated:

"Mr. President, I would also like to address the recommitment of the bill.

"I would urge the committee to reconsider this bill. It's an important one for the state. The revenues that could be derived in any form, if we would pass this bill, would be significant.

"There are three amendments that have been discussed. I've been part of some of those discussions. I think the bill basically is one that we should consider and pass this year. There's still time. It's a House bill with a Senate draft. There's time for the committee to look at it; think about it; even have another hearing, if necessary, and bring back a measure within the time allocated that we could look at and vote on.

"Maybe all the amendments could also be considered in such a meeting or hearing and we could look at a bill that more truly reflects the wishes of this body.

"I would strongly urge the committee chairman and the committee members

to look at this revenue source. It may not be a lottery, but there are some good things about it.

"Thank you, Mr. President."

Senator Cobb then rose to state:

"Mr. President, I'm a little surprised by the remarks of respecting the chairman's prerogative when two of the amendments were not even discussed with the chairman prior to them being offered. I think it's important to point that out for the record.

"We're talking about a very significant revenue loss in this measure and either of the two amendments would have resulted in a revenue loss estimated from four to six hundred thousand dollars, if adopted.

"Furthermore, the problem is not all related or confined to the area of business accounts.

"In 1980 we had 29,000 delinquent accounts in the State of Hawaii for a total of \$34.8 million. In 1981 we had 37,000 delinquent accounts for a total of \$42 million. That's a 20.7% increase, and that's not all due to businessmen. The problem cuts across-the-board.

"I'm going to cite testimony that I received in my own committee that points out the problem on accounts receivable or accounts payable. It's also part of the problem because of the low interest rate. People are in effect saying 'we're going to create a low interest loan.' So, I think, this needs to be discussed and rather than creating two or three or four different classes of taxpayers we need to look at addressing the problem across-the-board and I hope the Ways and Means Committee does that."

Senator Anderson then added as follows:

"Mr. President, very briefly, speaking as a businessman, while I share the concerns of what the bill is trying to address, on the other side of the coin, you ought to be a vendor to the state and see when the state pays their vendors 30, 60, 90 120 days past due and we don't have the 12% and 14% add-on; so I think if you were to wash it both ways, the abuse...when you say that businessmen are abusing...I don't think it's widespread across the community, and I don't think you can take all businessmen with it.

"Most of the businessmen in this town who would have those kinds of dollars to put into another fund to draw a higher rate of interest do business with

one government or another. And everytime we turn around we have to get a tax clearance from government to get a liquor license or to get a public bid and before we can get a bid we have to have a free and clear tax notification from all governments. So, it's not businessmen across-the-board and I would imagine it is a two-way wash which is probably about even."

Senator Cayetano again rose to state:

"Mr. President, directing my remarks to the remarks made by Senator Cobb, first of all, this amendment was finished last night...the amendment that I was going to propose...and I discussed it with the chairman very briefly this morning. I'm sorry, but nobody happened to be around last night. I think it was about midnight and I was the only guy here, so that's my explanation to Senator Cobb."

"I think, however, Senator Cobb's remarks are well-founded and he should maybe direct it to the members of the Ways and Means Committee because, as Senator O'Connor said, there's still time to consider the bill."

"Something, some bill, in whatever fashion, whether it be the bill that we have before us or an amended bill, should pass. We should not cut off our nose to spite our entire face."

Senator Cobb, in response to the remarks made by Senator Anderson, stated:

"Mr. President, in response to the Republican Floor Leader's statement, I indicated that one of the amendments seemed to be aimed at the practice of businessmen and my remarks were that the problem is not confined there at all. In fact, there are a lot of private individuals, not in business, who in effect are creating low interest loan situations by not paying their taxes on time."

"The number of delinquent accounts that I cited is convincing proof of that, and I think it would be incumbent upon the Ways and Means Committee to consider not only the problem of taxes owed, either on the basis of overpayment or underpayment, but also cut the wash both ways and consider what the state does in terms of its slow payment, and whether we ought to impose maybe interest on the state for slow payment over 60 days."

Senator Kawasaki then rose to state: "Mr. President, I did not intend speaking on this..."

The Chair interjected: "Senator Kawasaki, I wish you wouldn't because there is really no measure before this body."

Senator Kawasaki responded: "That's right. I think there is a point of order. I don't think you've ruled that debate is to be undertaken..."

The Chair answered: "This is not a debate. The bill has already been recommitted. The Chair should not have allowed this discussion to take place, but we have an uncanny ability to use personal privilege, and I think that personal privilege extends from here to New York."

"I would like to caution the body that there is no matter before the Senate relating to the comments that were given."

"The Chair hopes that any comments are saved until the next discussion that we have this bill. I happen to agree with Senator O'Connor that since it is a House bill, there is time to amend the bill or re-think it in line with what has happened today. I would implore this body that we go on with the business of the Senate."

Senator Kawasaki then rose on a point of order and stated:

"Mr. President, I just wanted to point out to this body that a motion to recommit to a committee is not debatable to begin with, according to our house rule."

The Chair thanked Senator Kawasaki.

Senator Anderson again rose to state:

"Mr. President, on a point of personal privilege for the sake of getting the floor, I guess, but speaking to House bills and apart from this one."

"I would just like to say that I don't normally reach across the House and interfere with their goings-on and their rule but I find to some alarm the comments from the majority members about bills not being on the desks for 48 hours, which would lead me to believe then it would help my inventory as I watch the House bills come over that I am in fact looking to see if those bills are coming over legally under the House Rules and the Constitution."

"I just want you to be aware that I am watching the House bills as they come over, sir, whether or not they have been clocked appropriately and maybe some of these would wash with the 48-hour timetable."

Senator Saiki then made the following introduction to the members of the Senate:

"Mr. President, the concurrent resolution passed this morning recognizes the University of Hawaii on the occasion of its Diamond Jubilee with high hopes for the continued building of an educational program of significance and excellence to serve all of the people of Hawaii.

"It is with great pleasure this morning that I present to you Dr. Fujio Matsuda, President of the University of Hawaii, and Mr. Robert Fujimoto who is chairman of the Board of Regents."

Dr. Matsuda and Mr. Fujimoto were then presented with leis by Senators George and Kobayashi.

At 12:06 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.

Senator Cobb then rose on a point of order and stated:

"Mr. President, in reference to the previous remarks of the Vice-President, I find in Cushing's that a motion to commit or recommit is debatable. Citing from page 148, it states, and I quote:

'A motion to commit, or recommit (which is the term used when the proposition has already been once committed), may be amended, by the substitution of one kind of committee for another, or by enlarging or diminishing the number of the members of the committee, as originally proposed, or by instructions to the committee.

'A motion to commit, resulting from debate with a view to removing objections or improving, is debatable, as the merits of the bill itself are involved.'

Senator Kawasaki then responded as follows:

"Mr. President, I'd like to respond to that statement by the Senator from the Seventh District.

"I pointed out to fellow Senators here that according to Cushing's, or Roberts' for that matter, a motion to recommit is debatable; however, by practice here in this body in due respect to the chairman's right to recommit a bill at his request, we have in the past never debated a recommital situation. This is what I wanted to point out."

The Chair then answered:

"Fine, the Chair appreciates the point of information raised. We're very happy with it and I think we ought to go on with the business of the Senate."

Senator Yee then said: "Mr. President, the only rule I follow is 13 votes."

Senator Cobb responded: "Mr. President, that's not a rule; that's a morality."

Senator Kawasaki rose on a point of personal privilege and remarked:

"Mr. President, I'd just like to make a statement that I'm glad that I belong to this body where healthy debate takes place on every issue. It's not like the body across the hall where one man can say whether a committee chairman shall even hold a hearing on a bill passed on by it to the Senate."

Senator Abercrombie then stated:

"Mr. President, on a point of personal privilege, there are stories in the newspaper today indicating that the discussion continues the pace with respect to whether or not the state will be able to sell bonds. There is an argument made in indication, I should say, that we will be 'forced' to do so at a rate higher than that which is allowed by law at the present time.

"Mr. President, I just wish to bring it to the members' attention because it comes, I think, not just coincidentally, but maybe fortuitously, in the same issue of the Honolulu Advertiser, some of the reasons why this is taking place and what we have to take into account, most particularly with the passage of the State Plan.

"I won't belabor the point other than to indicate that Secretary of the Treasury Donald Regan announced yesterday and I'm from now quoting from combined news services out of Washington, on page C-5 of the Advertiser: '...that record-high deficits projected in President Reagan's new budget are blocking a downturn in interest rates. ...Regan conceded yesterday that the deficit projection in the president's 1983 budget is probably too low and it will be a "real challenge" just to keep the red ink at around \$90 billion. ...Regan said the major, unexpected recession caused the large deficits projected in the administration's 1983 budget proposal -- \$96.4 billion, compared to the 1981 deficit of about \$58 billion.'

"This is the projection. I trust that I would not be in any danger if I was to wager that I could eat this paper if

it stays at 96.4 and it doesn't go over a \$100 billion.

"In the same issue of the Honolulu Advertiser, on page C-7, 'Stagnation A new spectre to haunt America ... is the prospect of slow and agonizing economic decay, of America's corporate empire edging closer to the brink of bankruptcy, of a thousand or more savings and loans slipping into solvency, of unemployment that grips one in 10 workers.'

"'...The cumulative weakness of stagnation has been building with such force that in recent weeks some economists and political figures have voiced fears that the nation is headed into something far more serious than just another dip in the business cycle.'

"'...the question is not whether the current recession will end but whether another crippling recession lurks around the next bend, perhaps as soon as next year.'

"'...The U.S. Treasury is the first borrower in line for the nation's limited supply of credit, and the fear is that deficits over \$100 billion in 1983 and beyond would soak up so much credit that there won't be enough to support a business rebound.'

"Mr. President, I will submit to you that there is an alternative at the present time to simply opening up these interest rates. I will not debate it further at this time other than to put into the record that this kind of testimony, if you will, is ongoing in the newspapers of our country not only in this state, I should say, but nationwide.

"What we need to do is to take another look at the projects that we are funding rather than looking at the interest rates, per se. They may average out over the years, but the high ticket cost of projects these days in our state government requires, if we are to have a State Plan with any kind of credibility, that we review them and review them and review them again and, if necessary, cut them back to the bone. Otherwise, we are contributing exactly the same kind of mentality to this picture of gloom and possible doom for the economy in terms of this state.

"Now I know that this issue has been

raised in various form on this floor under this period of time when we can speak on the point of personal privilege and the reason that I do it once again today is to indicate that it is not a passing phase. It is not just an individual political incitement in an election year. On the contrary, it is an ongoing fundamental crisis in the American economy and in the Hawaii State economy that must be addressed not on a helter-skelter or on an isolated basis with respect to the bills that have passed before us, but requires the Senate of this state to take a responsible, comprehensive view and to take a responsible, comprehensive stand that we will not allow ourselves to slip into and contribute to the deficit situation which is destroying the capacity for American business to respond, and destroying the capacity of the taxpayers to withstand further erosion of their own financial stability.

"Thank you."

Senator Kawasaki again rose on a point of personal privilege and stated:

"Mr. President, I just want to say that I certainly concur with the statements made by the good Senator from the Sixth District. I just want to point out to him that the Advertiser really doesn't believe its own news items because I noted that they were very enthusiastic in their editorial columns about the dire need for executive pay raises."

Senator Kuroda then introduced Mr. and Mrs. Frank Perkins of Aiea who were sitting in the gallery. Senator Kuroda added: "Frank Perkins is a great athlete of yesterday with whom I had the pleasure of playing baseball. He and Mrs. Perkins are parents of present athletes and the parents of one intellectual, our Assistant Clerk Richard Perkins."

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

The Senate reconvened at 12:24 o'clock p.m.

ADJOURNMENT

At 12:25 o'clock p.m., on motion by Senator Cobb, seconded by Senator Anderson and carried, the Senate adjourned until 11:30 o'clock a.m., Monday, March 29, 1982.