

## FIFTY-FIFTH DAY

Friday, April 12, 1985

The Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, convened at 11:40 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by the Reverend Joseph Hooper, Pastor of St. Philomena's Church, after which the Roll was called showing all Senators present.

The Chair announced that he had read and approved the Journal of the Fifty-Fourth Day.

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

Senator Hee introduced two students from Enchanted Lakes Elementary School: Lea Lombardi, student body president, and Lisa Innes, student body vice president. The students were accompanied by their 5th and 6th grade gifted and talented class and their respective teachers.

Senator Aki introduced Lin and Ho, two of six students from the Chinese Taipei Wrestling Association, and added that "they are here to participate in the state championships in free-style wrestling to be held at Fort Shafter on April 12th and 13th, and are hosted by the Waianae High School wrestling team. Lin and Ho are with us today with Mrs. Nani Bolton of their host family."

Senator Fernandes Salling then introduced a group of 22 students, members of the Kauai Future Farmers of America, accompanied by their advisor and teacher Mr. Ken Kagihiro and chaperones: Mr. Harold Eichelberger, Mrs. Emma Eichelberger and Mrs. Pamela Kamakele.

Senator Henderson then introduced Roy S. Blackshear, Robert Bethed and Elroy Osorio from the Big Island, who are "here to observe the workings of the Legislature."

Senator McMurdo then made the following introduction:

"Mr. President and members of the Senate, since this is the 10th anniversary of the founding of the Neighborhood Board, I thought it would be fitting and proper that we should honor some of the people from the neighborhood boards.

"I would like to start first with the people in the gallery: some of the members from the Neighborhood Commission and members of its staff, all of whom work for the neighborhood boards as a support team; and members of Neighborhood Board No. 8, No. 9 and No. 5, which are in my district. (All

rose to be recognized.)

"As most of you know, the neighborhood boards are very dear to my heart. I think they are the grass roots citizen participation that we so dearly need in this city and county as well as in the state and, at this time, I would like to introduce some other members of the neighborhood board.

"I'd like to start with the man who has been a member of the Neighborhood Commission since August 1980 and chairman since June 1981. He has served two terms in this capacity with unwavering commitment to the mission of the neighborhood boards, as mandated by the revised Charter of the City and County of Honolulu.

"Sandy Sumida has worked tirelessly to see that the boards are given the proper tools and staff to achieve their mission of greater citizen participation in the decisions of government. His efforts have been a major factor in the growth and strengthening of the neighborhood boards. During his time on the commission, the boards have become a popular concept being accepted as an integral part of the community. As a result, two more neighborhoods have formed boards, bringing the total to 30.

"When the boards were in danger of being eliminated or replaced by appointed members two years ago, this man joined others in the fight to save them — and successfully.

"Many of us in the Senate and the House have come to know this man very well in his time as chairman of the commission. His term is ending in July and we will sorely miss him. This certificate of appreciation is a small token of the affection and esteem we hold for this man who served selflessly for the sake of his community and the city."

Mr. Sumida rose to be recognized and was presented with the Senate certificate and a lei by Senator McMurdo.

Senator McMurdo then introduced: Mr. Kenneth Chang, chairman of the Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board No. 5; Mr. Bert Nakamura, chairman of the McCully-Moiliili Neighborhood Board No. 8; and Mr. John Stunkard, chairman of the Waikiki Neighborhood Board No. 9. Senator McMurdo read portions of the respective Senate certificates.

The honorees rose to be recognized and were presented with the Senate certificate

and leis by Senators A. Kobayashi, Fernandes Salling and Young.

Senator McMurdo continued:

"Mr. President, I have another group of people that I would like to recognize since this is also Cancer Control Month.

"This certificate is going to a young woman whose story you probably read in the paper this week, an excellent article written by Pat Hunder of the Honolulu Advertiser

"This young woman has had a battle with cancer because of a tumor on her leg which was the same kind that Ted Kennedy's son had and she also had to have an amputation. This has not daunted her one bit. She still is a very, very active fashion model, a very dynamic person and is using her time now traveling around on behalf of the American Cancer Society to let people know that there is a hopeful side to cancer. At this point, she is in Hawaii and is touring the islands to bring this message of hope to cancer victims and those who might get it sometime. Because one out of every four people may have cancer, it is good to know that the fight is going on by the American Cancer Society and other people to see that we can cure more people.

"At this time, I would like to recognize Ivy! Gunter, the beautiful model with a dynamic personality, who is accompanied by Mr. Jerry Vukas of Los Angeles, California. Ivy happens to live in Atlanta, but these two have started a sport equipment corporation to make sports equipment for handicapped people to use. Ivy is an avid skier."

The honoree and Mr. Vukas rose to be recognized. Senator McMurdo presented her with the congratulatory certificate and Senators Abercrombie and Solomon presented them with leis.

Senator Chang then made the following introduction:

"Mr. President, it's my pleasure this morning to recognize a surprise honoree. She is a dear and welcome member of our Senate family and has been recognized and selected as the 1985 recipient of the Secretary of the Year Award by the Professional Secretaries International Association, Oahu Chapter.

"The award is given annually to a person who has made significant contributions to the secretarial profession in which she fulfills the responsibilities and skills of the profession.

"We wish to congratulate her this morning for her dedication and outstanding abilities and give her our best wishes for her continued success.

"If I may ask the honoree, Mrs. Gladys Rodenhurst, to assume her place as one of our dear and welcome guests this morning."

Mrs. Rodenhurst was duly recognized and presented with the congratulatory certificate by Senator Solomon and a lei by Senator Chang.

At 11:55 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:02 o'clock p.m.

#### MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 296 to 303) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 296, submitting for consideration and confirmation to the Board of Health, the nominations of the following:

Thomas Lee, term to expire December 31, 1988; and

Bernard K. Punikaia, term to expire December 31, 1987,

was referred to the Committee on Health.

Gov. Msg. No. 297, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of Akira Omonaka, term to expire December 31, 1986, was referred to the Committee on Health.

Gov. Msg. No. 298, submitting for consideration and confirmation to the Advisory Commission on Drug Abuse and Controlled Substances, the nominations of James W. Linmand, M.D., Ellen K. Serra and Kathleen K.M. de Silva, terms to expire December 31, 1988, was referred to the Committee on Health.

Gov. Msg. No. 299, submitting for consideration and confirmation to the State Council on Mental Health and Substance Abuse, the nominations of the following:

Robert G.B. Bjornson, M.D., Masaru Oshiro, Ray M. Higa, Bishop Edmond Lee Browning and Guy A. Paul, terms to expire December 31, 1988;

Donna W. Saiki, John A. Bissell, Tina L. Dameron, Connie C. Chun and Jane R. Smith, terms to expire December 31, 1987; and

John F. McDermott, Jr., M.D., Reverend Frank A. Chong, Reverend Vincent De Paul O'Neill, Frank Su'a and Kenneth "Shannon" Steele, terms to expire December 31, 1986,

was referred to the Committee on Health.

Gov. Msg. No. 300, submitting for consideration and confirmation to the Hawaii Paroling Authority, the nomination Georgina M. Yuen, term to expire December 31, 1987, was referred to the Committee on Judiciary.

Gov. Msg. No. 301, submitting for consideration and confirmation to the Board of Trustees, Employees' Retirement System, the nomination Paul C.T. Loo, term to expire January 1, 1991, was referred to the Committee on Labor and Employment.

Gov. Msg. No. 302, submitting for consideration and confirmation to the Medical Advisory Board, the nomination of Danilo V. Lucila, M.D., term to expire December 31, 1988, was referred to the Committee on Transportation.

Gov. Msg. No. 303, submitting for consideration and confirmation to the Hawaii Criminal Justice Commission, the nomination of Hiroshi Kato, term to expire June 30, 1989, or upon the expiration of the commission, whichever occurs sooner, was referred to the Committee on Judiciary.

#### HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 520 to 538) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 520, transmitting House Concurrent Resolution No. 16, H.D. 1, which was adopted by the House of Representatives on April 11, 1985, was placed on file.

By unanimous consent, H.C.R. No. 16, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR'S CORRECTIONS TASK FORCE TO PRESENT AN UPDATED REPORT ON THE PROGRESS OF THE U.S. DEPARTMENT OF JUSTICE'S CRITICISMS REGARDING THE OAHU COMMUNITY CORRECTIONAL FACILITY AND THE STATE'S RESPONSES THERETO," was referred to the Committee on Judiciary.

Hse. Com. No. 521, transmitting House Concurrent Resolution No. 26, H.D. 1, which was adopted by the House of Representatives on April 11, 1985, was placed on file.

By unanimous consent, H.C.R. No. 26, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE ESTABLISHMENT OF A BIOLOGICAL RESEARCH INSTITUTE FOR TROPICAL PESTS IN HAWAII," was referred jointly to the Committee on Agriculture and the Committee on Higher Education.

Hse. Com. No. 522, transmitting House Concurrent Resolution No. 73, H.D. 1, which was adopted by the House of Representatives on April 11, 1985, was placed on file.

By unanimous consent, H.C.R. No. 73, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE FEDERAL GOVERNMENT TO TAKE CERTAIN ACTIONS TO ASSIST SCHIZOPHRENICS," was referred to the Committee on Health.

Hse. Com. No. 523, informing the Senate that the Speaker added Representative Pfeil as an additional manager on the part of the House at the conference on Senate Bill No. 249, S.D. 1, H.D. 1, was placed on file.

Hse. Com. No. 524, informing the Senate that the Speaker on April 11, 1985 appointed Representatives Say, chairman, Metcalf, Tajiri and Pfeil, as managers on the part of the House for the consideration of amendments proposed by the House to Senate Bill No. 280, S.D. 1, was placed on file.

Hse. Com. No. 525, informing the Senate that the Speaker added Representatives Andrews, Hashimoto, Taniguchi and Medeiros as additional managers and Representative Shito as co-chairman together with Representative Bunda on the part of the House at the conference on Senate Bill No. 1127, S.D. 1, H.D. 2, was placed on file.

Hse. Com. No. 526, informing the Senate that the Speaker discharged Representatives Kiyabu and Bunda, co-chairmen, Gaulty, Hirono, Kihano, Lindsey and Cavasso as managers and appointed Representatives Kiyabu, chairman, Cachola, Crozier, Kihano, Kim, Lardizabal, Leong, Nakata, Oshiro, Souki, Tajiri, Takamine, Anderson, Isbell and Kamali'i as managers on the part of the House at the conference on Senate Bill No. 1185, S.D. 1, H.D. 1, was placed on file.

Hse. Com. No. 527, informing the Senate that the Speaker added Representative Medeiros as an additional manager on the part of the House at the conference on Senate Bill No. 726, S.D. 2, H.D. 2, was placed on file.

Hse. Com. No. 528, informing the Senate that the Speaker on April 11, 1985 appointed Representatives Kiyabu and Shito, co-chairmen, Bunda, Crozier, Hirono, Souki, Taniguchi, Isbell and Jones, as managers on the part of the House for the consideration of amendments proposed by the House to Senate Bill No. 1198, S.D. 2, was placed on file.

Hse. Com. No. 529, informing the Senate that the Speaker on April 11, 1985 discharged Representative Medeiros and added Representative Liu as a manager on the part of the House at the conference on House Bill No. 89, H.D. 1, S.D. 2, was placed on file.

Hse. Com. No. 530, informing the Senate that the House reconsidered its action taken on April 3, 1985 in disagreeing to the amendments made by the Senate to House Bill No. 346, H.D. 1, was placed on file.

Hse. Com. No. 531, informing the Senate that the Speaker on April 11, 1985 discharged Representative Liu and added Representative Cavasso as a manager on the part of the House at the conference on House Bill No. 488, H.D. 1, S.D. 1, was placed on file.

Hse. Com. No. 532, informing the Senate that the Speaker added Representative Apo as an additional manager on the part of the House at the conference on House Bill No. 557, S.D. 1, was placed on file.

Hse. Com. No. 533, informing the Senate that the House reconsidered its action taken on April 3, 1985 in disagreeing to the amendments made by the Senate to House Bill No. 761 and the Speaker on April 11, 1985 discharged the managers on the part of the House for the consideration of H.B. No. 761, S.D. 1, was placed on file.

Hse. Com. No. 534, informing the Senate that the House reconsidered its action taken on April 3, 1985 in disagreeing to the amendments made by the Senate to House Bill No. 949 and the Speaker on April 11, 1985 discharged the managers on the part of the House for the consideration of H.B. No. 949, S.D. 1, was placed on file.

Hse. Com. No. 535, informing the Senate that the Speaker added Representative Kamali'i as an additional manager on the part of the House at the conference on Senate Bill No. 90, S.D. 1, H.D. 1, was placed on file.

Hse. Com. No. 536, informing the Senate that the Speaker added Representative Pfeil as an additional manager on the part of the House at the conference on Senate Bill No. 702, S.D. 2, H.D. 2, was placed on file.

Hse. Com. No. 537, informing the Senate that the Speaker added Representative Kamali'i as an additional manager on the part of the House at the conference on Senate Bill No. 610, S.D. 1, H.D. 1, was placed on file.

Hse. Com. No. 538, informing the Senate that the Speaker added Representative Pfeil as an additional manager on the part of the House at the conference on Senate Bill No.

153, S.D. 1, H.D. 2, was placed on file.

#### STANDING COMMITTEE REPORT

Senator Toguchi for the Committee on Education, presented a report (Stand. Com. Rep. No. 984) recommending that Senate Resolution No. 6, as amended in S.D. 1, be adopted.

On motion by Senator Toguchi, seconded by Senator Solomon and carried, the report of the Committee was adopted and S.R. No. 6, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO ENCOURAGE THE USE OF SCHOOL FACILITIES FOR AFTER-SCHOOL CARE PROGRAMS AND TO EXAMINE THE FEASIBILITY OF ESTABLISHING BEFORE-SCHOOL CARE PROGRAMS FOR SCHOOL AGE CHILDREN," was adopted.

#### ORDER OF THE DAY

MATTER DEFERRED FROM  
TUESDAY, APRIL 9, 1985

#### FINAL READING

Senate Bill No. 669, S.D. 1, H.D. 1:

Senator Cobb moved that S.B. No. 669, S.D. 1, H.D. 1, having been read throughout, pass Final Reading, seconded by Senator B. Kobayashi.

Senator Kawasaki rose to speak on the measure as follows:

"Mr. President, I rise to speak against passage of this bill and in so doing I have some questions I'd like to pose to the chairman of the committee from whence the bill emanated.

"First of all, I'd like to know how many states, other than the State of Minnesota, have enacted statutes almost identical to this bill?"

The Chair posed the question to the chairman and Senator Cobb replied:

"Mr. President, on the last report I had it was between eight and eleven states depending on what the definition of either identical or substantially similar would be. Primarily because the number of states is small, it is due to the recent enactment and court testing of the Minnesota law. More states, I think about 20 altogether, are considering it this year."

Senator Kawasaki further inquired:

"But for the moment, there's no more than 11 states at the most that have bills identical to this on their books, is that correct?"

Senator Cobb answered:

"That's the information I have so far, although we have not received information back from all of the states at this time."

Senator Kawasaki remarked and further inquired:

"Mr. President, I think there is good reason for states, other than these perhaps at the most 11 states, not enacting statutes like this.

"I have another question to pose to the chairman of the Consumer Protection Committee.

"Where did this bill, two years ago, originate? Was it from the Department of Commerce and Consumer Affairs or what it one of the Big Five companies that initiated the bill?"

Senator Cobb responded:

"Mr. President, two years ago, I don't recall whether it was an admin bill or a department bill. This year, however, it was introduced at the request of Amfac, I believe, and the reason given in committee when that question was raised was because the department at that time was embroiled in the UIIA insurance matter and did not have time to prepare the bill in time for the Governor's deadline of September for admin bills."

Senator Kawasaki continued:

"Mr. President, I thank the chairman of the Consumer Committee.

"Mr. President, I object to this bill strenuously because while we've been trying to tell business, both located here as well as overseas, that indeed we are really not an anti-business state, enactment of statutes like this, I think, belies our stated profession that we want to help business. I think that if there is anything that's onerous to possible businesses overseas, particularly, that want to establish here, statutes like this I think are going to hamper our attempts to attract people here.

"This is another example of the alarming deference the Senate Committee on Consumer Protection has been paying to our Big Five Merchant Street companies the last few years. I don't think this bill is needed. I find some of the language contained in page 11, items under designation 'f,' item 2 through 5. These kinds of requirements, in their forms to be filed with the director of the Consumer Affairs Department are onerous; they tend to discourage companies overseas from establishing over here.

"In general. I think this is a bad bill. We don't need to rush into it. Perhaps like the

other 40 or so states that for good reason have not yet enacted this, we should study this further and not just rush into enactment of this bill that I understand AmFac would be happy to have.

"I think we've been paying too much deference without deep study as to the end results, the effects of some of the statutes we've been pushing in behalf of the Big Five companies. We'd better take a better look at this even before we rush into enactment of this bill. For this reason, I vote against it. I urge others to vote against it."

Senator Cobb then remarked as follows:

"Mr. President, I rise to speak in favor of the measure.

"The language alluded to on page 11 is also contained in the existing via statutes, but more to the point, Mr. President, this is an anti-takeover bill. It will make it more difficult and at the same time insure that it is constitutional to have such a law. It is based on the Minnesota Takeover Act which was appealed to the 8th Circuit Court of Appeals, federal, and found to be constitutional in the Edgar v. Mite decision. That is a fairly recent decision, but given the amount of publicity both locally and nationally on the spectre of corporate raiders and what they do when they come in and take over a company in terms of liquidation, in terms of the job loss, and all of the other horrors that have been documented before the committee, I think this piece of legislation is vitally necessary.

"And I am aware that of the 20 states that are considering this type of legislation this year in response to the Edgar v. Mite decision, a high number are going to be passing it.

"I disagree very strongly that this is either anti-business or in any way inimical to business practice, but instead would provide at least a measureable and constitutionally verified degree of protection to Hawaii business and I think would be quite pro-business, not anti-business. Thank you."

Senator Kawasaki then remarked:

"Mr. President, in response to the previous speaker's statements, this may be an anti-takeover bill of sorts but I, over the years, have noted that the people most concerned and afraid of an anti-takeover attempt, which sometimes is very beneficial to the ordinary small stockholder of a company, people most afraid of anti-takeovers are generally top management people who have good high paying jobs and whose efforts in behalf of the company may not be the most admirable and they are afraid of a takeover attempt

by any company may just replace them for better, more progressive management. So people who are most afraid of takeovers are the top leadership in high paying positions.

"I don't know that the so-called anti-takeover bills are really bad for the ordinary common stockholder. You note, after the passage of the anti-cumulative voting bill, if you have noticed in the last three days, the price of Alexander & Baldwin shares have come down almost about a dollar a day, and I will predict it will continue to come down, which, in my judgment, is not going to be beneficial to the ordinary shareholder of Alexander & Baldwin.

"Again, here comes another bill, generally to protect their hides, protect their turf, as the appellation goes around here, of those in top leadership positions today who are afraid of being replaced with people who may be better managers of the corporate affairs of these big companies on Merchant Street.

"Again, I think it's a bad bill and I speak against it. We certainly don't have to rush into it."

Senator Cobb then said:

"Mr. President, the unrebutted testimony before your Committee on Consumer Protection and Commerce pointed out very clearly, the small shareholder does not benefit in a corporate takeover fight or a corporate raid. The only people who benefit in such a raid are (1) the raider and (2) those who practice arbitrage or practice of buying large shares of stock on the public exchange, betting on the come that they will be able to make a profit or a killing in a takeover fight. Those are the only types of people that benefit in a raid attempt, not the small shareholder, and that kind of testimony was totally unrebutted before the committee. Thank you."

Senator Abercrombie then remarked:

"Mr. President, I'd like to ask the chairman a question.

"I was prepared to vote for this until the last statement. Is this an argument about whether raiding is good or bad and that's the basis for this bill? That isn't the way the committee report reads. Is that the basis for this bill, that so called raiding is to be prevented? Because if the argument is that it's unrebutted that shareholders benefit but whether the company is going to benefit from a so-called raid or raid depends on your point of view.

"It's a raid if you're running it and you're running it into the ground and not doing a good job, but it's bailing the company out if

somebody wants to come in and says they can run it better.

"I want to know from the chairman, are we supposed to be voting for this bill now because it's to prevent what he calls raids?"

Senator Cobb responded:

"Mr. President, the original purpose of the bill as expressed in the committee report from the Senate was an anti-takeover provision, and the primary purpose of the bill is to correct the law based on the Edgar v. Mite decision to insure that the Hawaii law is patterned after the Minnesota law to withstand any kind of constitutional scrutiny."

Senator Abercrombie then said:

"Mr. President, that does not answer my question. Has this bill now become an anti-raiding bill? I thought that this bill as I was reading it that it had to do with registration of offers and simply designating the different percentages that had to be registered and indicating who the people were, etc. Now, maybe I'm not sophisticated enough in the language to realize, if the chairman is indicating, that this is supposed to make it more difficult for people. I didn't understand it that way."

Senator Cobb answered:

"Mr. President, in response to that question, it will not necessarily make it more difficult because it does repeal some of the provisions in the Hawaii law that would prohibit such a takeover on banks and utilities because that is not contained in the Minnesota law. What this will do is make the process of an attempted takeover more public in terms of its registration requirements, not necessarily more difficult."

Senator Abercrombie then continued:

"Mr. President, I have no objections on the basis of it being more public which is what I read, but I will dispute the idea that the chairman raises that this testimony is unrebutted. I don't know when that hearing was held. Maybe it was at 2:00 o'clock in the afternoon; maybe the only people who could be there were lobbyists; but if you talk about what's profitable for a company or for a shareholder, there's plenty of rebuttal with respect to whether or not new management in the company will do better.

"I think we've seen enough instances of these 'golden parachute' ideas that have been put into company plans to refute the idea that the attempt to change management in the company is by definition bad for that company.

"To the degree that this bill makes the takeover process more public, I'm for it; but I do not vote for it on the basis that this is in response to un rebutted testimony that takeovers are by definition bad for a company or for the people who are involved with that company."

The motion was put by the Chair and carried and S.B. No. 669, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawasaki).

### THIRD READING

#### MATTERS DEFERRED FROM WEDNESDAY, APRIL 10, 1985

##### House Bill No. 191:

On motion by Senator Aki, seconded by Senator Matsuura and carried, H.B. No. 191, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES AND WILDLIFE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 192, H.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, H.B. No. 192, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 206, H.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, H.B. No. 206, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE FACILITATION OF PERMIT PROCESSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 38:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, H.B. No. 38, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 228:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, H.B. No. 228, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 233, H.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, H.B. No. 233, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF NURSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 462:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, H.B. No. 462, entitled: "A BILL FOR AN ACT RELATING TO WARRANTIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 1060:

By unanimous consent, action on H.B. No. 1060, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," was deferred until Monday, April 15, 1985.

##### House Bill No. 1382:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, H.B. No. 1382, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 113:

On motion by Senator Solomon, seconded by Senator Hagino and carried, H.B. No. 113, entitled: "A BILL FOR AN ACT RELATING TO REGULATION OF DEALERS IN FARM PRODUCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

##### House Bill No. 115:

On motion by Senator Solomon, seconded by Senator Hagino and carried, H.B. No. 115, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF AGRICULTURE," having been read throughout, passed Third Reading on the

following showing of Ayes and Noes:

Ayes, 25. Noes, none.

House Bill No. 114:

On motion by Senator Solomon, seconded by Senator Hagino and carried, H.B. No. 114, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL COMMODITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

House Bill No. 1063, H.D. 1:

By unanimous consent, action on H.B. No. 1063, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," was deferred until Monday, April 15, 1985.

#### ADVISE AND CONSENT

Stand. Com. Rep. No. 974 (Gov. Msg. No. 244):

Senator Kawasaki moved that Stand. Com. Rep. No. 974 be received and placed on file, seconded by Senator Fernandes Salling and carried.

Senator Kawasaki then moved that the Senate advise and consent to the nomination of Richard K. Yonezaki to the Civil Defense Advisory Council, term to expire December 31, 1988, seconded by Senator Fernandes Salling.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 975 (Gov. Msg. Nos. 222, 223, 224, 245, 255, 256 and 257):

Senator B. Kobayashi moved that Stand. Com. Rep. No. 975 be received and placed on file, seconded by Senator Machida and carried.

Senator B. Kobayashi then moved that the Senate advise and consent to the nominations of the following:

Yvonne Carvalho Paik to the Hawaii County Subarea Health Planning Council, term to expire December 31, 1986;

Mary M. Katayama, Edwin M. Montell, M.D., Chitose Kanuha and Dorothy Kataoka to the Hawaii County Subarea Health Planning Council, terms to expire December 31, 1988;

William W. Goodhue, M.D., and Amy A. Mendonca, to the Kauai County Subarea

Health Planning Council, terms to expire December 31, 1988;

Herbert K. Yim to the Kauai County Subarea Health Planning Council, term to expire December 31, 1987;

Mabel Jean Odo and Leah Pereira to the County Hospital Management Advisory Committee, Kauai County Hospital System, terms to expire December 31, 1988;

William T. Honjiyo to the County Hospital Management Advisory Committee, Kauai County Hospital System, term to expire December 31, 1986;

Ludvina K. Takahashi to the County Hospital Management Advisory Committee, Kauai County Hospital System, term to expire December 31, 1985;

Harry M. Okumura and William H. Sager to the Advisory Committee on Pesticides, terms to expire December 31, 1988;

Mary Ann Pyun, Dorothy K.S. Ono and Isabel M. Tagala to the County Hospital Management Advisory Committee, City and County of Honolulu Hospital System, terms to expire December 31, 1988;

Sharon E. Ogawa to the County Hospital Management Advisory Committee, City and County of Honolulu Hospital System, term to expire December 31, 1987;

Wayne M. Takehara to the County Hospital Management Advisory Committee, Maui County Hospital System, term to expire December 31, 1988;

William Kennison to the County Hospital Management Advisory Committee, Maui County Hospital System, term to expire December 31, 1985; and

Maurice H. Kaya and Daniel F. Clark to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, terms to expire December 31, 1988,

seconded by Senator Machida.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 982 (Gov. Msg. No. 214):

Senator Solomon moved that Stand. Com. Rep. No. 982 be received and placed on file, seconded by Senator Hagino and carried.



Senator Solomon then moved that the Senate advise and consent to the nomination of John E. Loomis to the Board of Agriculture, term to expire December 31, 1988, seconded by Senator Hagino.

The motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 12:22 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:27 o'clock p.m.

#### RE-REFERRAL OF A HOUSE CONCURRENT RESOLUTION

The President made the following re-referral of a House Concurrent Resolution that was received:

House  
Concurrent  
Resolution

Referred to:

No. 38, H.D. 1      Committee on Education

At this time, Senator Yamasaki, chairman of the Committee on Ways and Means, requested a waiver of the 48-hour notice of a Public Hearing on the following:

S.R. No. 148, entitled: "SENATE RESOLUTION REQUESTING A STUDY OF THE POSSIBLE REPLACEMENT OF THE AD VALOREM LIQUOR TAX WITH A GALLONAGE LIQUOR TAX"; and

S.C.R. No. 108, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A STUDY OF THE POSSIBLE REPLACEMENT OF THE AD VALOREM LIQUOR TAX WITH A GALLONAGE LIQUOR TAX,"

and the President granted the waiver.

Senator Yamasaki, chairman of the Committee on Conference on the part of the Senate on the bills listed on Agenda 1, 2, 3 and 4 of the Conference Committee's hearing notice for Friday, April 12, 1985, then requested a waiver of the 48-hour notice of a Public Hearing on said bills, and the President granted the waiver.

At 12:29 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:30 o'clock p.m.

Senator Kawasaki then rose on a point of inquiry as follows:

"Mr. President, a point of inquiry directed

to the chairman of the Ways and Means Committee.

"In view of the barrage I know every Senator has received from the hotel industry in a very well organized effort to express the hotel industry's opposition to the tourist tax, I'd like a statement of reaffirmation as the chairman of Ways and Means goes into conference with the House that the Senate position that we are still for the tourist tax which will not hurt the industry, which is found all places in the world, and also that we are vehemently against any increase in the sales tax that hurts consumers, we do still have that reaffirmation from the chairman who speaks for all of us?"

Senator Yamasaki answered:

"Mr. President, as far as the room tax is concerned, that is our position as we go into conference."

Senator Kawasaki further inquired:

"What about the no increase in the sales tax which is going to hurt consumers?"

Senator Yamasaki answered:

"Mr. President, I think that there has been some indication given by the Majority members on that issue."

Senator Kawasaki further asked:

"Indications, which say?"

Senator Yamasaki answered:

"I think there was some flexibility expressed."

Senator Kawasaki then said:

"I see. Well, to eliminate any possibility of a filibuster against any sales tax, I would strongly advise that we worry about the consumers and be vehemently against the sales tax increase."

Senator Kuroda then remarked:

"Mr. President, as the presiding officer of the caucus which discussed the very subject, and while Senator Kawasaki was not present, the Senate Ways and Means chairman has been granted caucus flexibility on that subject by the caucus."

Senator McMurdo then rose on a point of personal privilege as follows:

"Mr. President, I rise on a point of personal privilege.

"As a freshman Senator, I have found this body to be most patient and generous in helping me get used to life in the Capitol.

You have all been friendly and cooperative and I would like to thank you at this time. But I have one primary concern that I want to voice and this has continually resurfaced during this term.

"I have been surprised to find that everyone seems to want to push his or her own ideas on the future of Waikiki. It appears that Waikiki is thought to be a place where tourists are kept on this island, and that whatever is good for tourism is good for Hawaii. Everyone seems to be an expert on Waikiki. They seem to know what needs to be done to improve life for tourists, but it appears to me that no one seems to take into account that there are also residents of Hawaii in Waikiki.

"The honorable Senator on my right and I know differently, as we both have constituents in this area.

"As Senator for a large part of Waikiki and as a resident of Waikiki, I am distressed by this oversight. My district deserves the same consideration in terms of the resident population as each of your districts. I represent over 18,000 permanent residents whose quality of life is as dear to them as it is to those residing in your districts.

"In the past, Waikiki residents have seen the quality of life debased year after year in the name of 'tourism.' To me, this is an unfortunate situation because I see the resident population in Waikiki as necessary to the stability of the area. If the quality of life in Waikiki falls to such a point that our resident population moves out, what we will be left with is an area which also will be no longer attractive to visitors.

"I would like to speak at this time for my constituents as well as for myself. We do not like our needs and desires being subverted to the tourists by state and city officials who ignore our presence in Waikiki. We need to feel that our state and city officials are granting to Waikiki residents the same consideration of our life style as they do the area in which they reside.

"Waikiki will continue to prosper and provide the state with a strong economic base, but only if we recognize that the resident population must be granted more say in their own area's future. They have elected representatives to voice their needs and wishes, and I have accepted this challenge.

"Mr. President, it is my wish that I be granted the same privilege as the other members of this Senate body in representing my constituents."

Senator Kuroda then responded as follows:

"Mr. President, I would like to address myself to the comments made by the good Senator representing Waikiki inasmuch as I am chairman of the Senate Tourism Committee.

"Mr. President, I believe that we can assure the lady Senator that all considerations will be directed in her direction with regards to tourism and our effort to make tourism a viable industry as it is now and to keep it viable. I think we all, as Senators, must keep in mind that the 'not in my backyard' type attitude is shared by all of us. However, as we proceed to deliberate these various issues, whether it's a general airport or landfill or alternate energy, we must keep in mind that as we give consideration to the thoughts of the constituents of any district, we also must keep in mind our efforts to keep our entire state's economic well-being in mind.

"Thank you."

Senator Machida, chairman of the Committee on Labor and Employment, requested a waiver of the 48-hour notice of a Public Hearing on the following:

S.R. No. 12, entitled: "SENATE RESOLUTION REQUESTING THE CONFERENCE OF PERSONNEL DIRECTORS TO GRANT A REQUEST FOR THE REPRICING OF THE ADULT CORRECTIONS OFFICER SERIES";

S.R. No. 126, entitled: "SENATE RESOLUTION REQUESTING A STUDY OF 'EXEMPT' EMPLOYMENT IN THE CIVIL SERVICE";

S.R. No. 127, entitled: "SENATE RESOLUTION REQUESTING THE SENATE COMMITTEE ON LABOR AND EMPLOYMENT TO STUDY THE FEASIBILITY OF ESTABLISHING PERMANENT OFFICES FOR THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM ON THE NEIGHBOR ISLANDS";

S.R. No. 128, entitled: "SENATE RESOLUTION REQUESTING THE CONFERENCE OF PERSONNEL DIRECTORS TO STUDY AND ANALYZE THE CHAPTER 89, HRS, DEFINITION OF 'PROFESSIONAL EMPLOYEE' FOR THE PURPOSE OF PROPOSING LEGISLATION TO INCLUDE TECHNICAL AND ALLIED EMPLOYEES WITHIN THIS DEFINITION";

S.R. No. 154, entitled: "SENATE RESOLUTION REQUESTING THAT THE DEPARTMENT OF PERSONNEL SERVICES REVIEW AND AMEND THEIR RULES RELATING TO VETERAN'S PREFERENCE";

S.C.R. No. 6, entitled: "SENATE CONCURRENT RESOLUTION

REQUESTING THE CONFERENCE OF PERSONNEL DIRECTORS TO GRANT A REQUEST FOR THE REPRICING OF THE ADULT CORRECTIONS OFFICER SERIES"; and

S.C.R. No. 113, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT THE DEPARTMENT OF PERSONNEL SERVICES REVIEW AND AMEND THEIR RULES RELATING TO VETERAN'S PREFERENCE,"

and the President granted the waiver.

#### APPOINTMENT OF CONFEREES

House Bill No. 89, H.D. 1 (S.D. 2):

The President appointed Senator Cayetano as co-chairman together with Senator Yamasaki on the part of the Senate at the conference on H.B. No. 89, H.D. 1, S.D. 2.

House Bill No. 265, H.D. 1 (S.D. 1):

The President added Senator Abercrombie as an additional manager on the part of the Senate at the conference on H.B. No. 265, H.D. 1, S.D. 1.

House Bill No. 281, H.D. 2 (S.D. 2):

The President added Senators B. Kobayashi and Toguchi as additional managers and has appointed Senator Cayetano as co-chairman together with Senator Yamasaki on the part of the Senate at the conference on H.B. No. 281, H.D. 2, S.D. 2.

#### ADJOURNMENT

At 12:40 o'clock p.m., on motion by Senator Cobb, seconded by Senator Soares and carried, the Senate adjourned until 11:00 o'clock a.m., Monday, April 15, 1985.