

## THIRTIETH DAY

Wednesday, March 5, 1986

The Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1986, convened at 11:43 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Chaplain Herman Keizler Jr., Lt. Colonel, United States Army, after which the Roll was called showing all Senators present.

The President announced that he had read and approved the Journal of the Twenty-Ninth Day.

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

Senator Matsuura, on behalf of Senators Solomon and Henderson and himself, introduced a group of students from the Big Island, representing Waiakea, Hilo, Pahoa, Kau and Laupahoehoe High Schools in the Legislative Experience Program.

Senator Chang, on behalf of Senators Holt, Abercrombie and A. Kobayashi and himself, introduced a group of students from McKinley and Roosevelt High Schools and their teacher, Leah Ellis, and chaperone, Lei Furtado.

Senator Young, on behalf of Senators Fernandes Salling, George, A. Kobayashi, McMurdo and Solomon and herself, introduced: Agnes Conrad, President of the Foundation for Hawaii Women's History, Inc.; Ruth Lieban, Vice President of the Foundation for Hawaii Women's History, Inc.; Lois Ivora, Chairperson of the State Commission on the Status of Women; and Rosey Chang, Commissioner of the Commission on the Status of Women, and read portions of the Senate Certificate honoring them.

The honorees were presented the Senate Certificate by Senator Young and Senators Kawasaki, B. Kobayashi, Mizuguchi and Yamasaki presented them with leis.

Senator Henderson then introduced Dr. and Mrs. Hyunuk Kim of Seoul, Korea, who were accompanied by Mr. Dewey Kim, former Chancellor of Community Colleges, University of Hawaii, and remarked as follows:

"Mr. President, we have with us today Dr. Hyunuk Kim.

"Dr. Kim is serving his second term as a member of the Korean National Assembly. During the election a year ago, he received one of the highest votes in Korea among the congressmen, something like in excess of 80 percent.

"Dr. Kim is formerly Professor of Political Science at Tangguk University in Seoul. He earned his Ph.D. from the University of Vienna.

"He and his wife have taught at Southern Oregon College and are presently returning to Korea after addressing the Washington State Legislature.

"Mrs. Hye Sun Kim is a Professor of Music at Dongduck University in Seoul."

Dr. and Mrs. Kim rose to be recognized and were presented with leis by Senators George and Henderson

The Chair, at this time, invited Dr. Kim to the rostrum to address the members of the Senate.

Dr. Hyunuk Kim remarked as follows:

"Senate President Richard Wong, distinguished members of the Hawaii State Senate and ladies and gentlemen, it is my great honor to be here today.

"For the past 40 years our countries have pursued common values and ideas on the basis of mutual trust and friendship. Our cooperation has cut across all aspects of bilateral relationships, including diplomacy, security and economics. You have shed your blood on our shores in our defense and we have shed ours for you in Vietnam.

"In brief, our current national priorities are: first, our highest, simply stated, is the prevention of war and maintenance of peace on the Korean peninsula; second, we are committed to securing peace and reunification of our 'Korea for peace' dialogue; finally, we are pursuing a parliamentary democracy that is the development of a free democratic society that shares the goal of our people.

"Our government is promoting autonomy and openness in the pursuit of the ideas of democracy such as respecting free expression of political opinions. We are looking towards significant democratization and political maturity through the peaceful transfer of power in 1988. We are right now establishing a constitutional revision committee to include participation by all parties in the pursuit of that outcome.

"Since 1980, our import liberalization program has done much to develop and internationalize our economy. Between 1980 and 1985 our import liberalization ratio rose steadily from 68 percent to 88 percent. By 1988 that ratio will top 95 percent, so we will have virtually open

access. In this light, we are the first largest grain importer from the United States. Despite a quarter century of remarkable growth, our economy is still in its infancy. We still face an array of economic and social constraints that others do not. Despite our progress, our per capita GNP is a mere \$2,000. This is but one-seventh of yours; one-fifth of Japan's and even \$1,000 below Taiwan's. Moreover, our vital national security needs are an enormous burden. Six percent of our GNP or one-third of our national budget goes to national defense. Said another way, while we are only one-fifteenth in total and one-fifth in per capita GNP to Japan, our defense burden is six times that of Japan's.

"Ladies and gentlemen, in conclusion, I wish to encourage you to view our relationship, not in terms of numbers but in the context of our past and present mutual beneficial relations, as a forum. In this regard, I appeal to you to stand against protectionist legislative proposals and continue mutual support in all matters as well as the very future of our political, social and economic development that depends upon your willingness to have patience and allow our liberalization policies to take effect. As you know, your own international security, economy, and political interest in Asia depend upon this as well.

"Please be assured that we Koreans have noticed that each of your senators and congressmen from Hawaii recently opposed the Jenkins Trade Bill which would have had most serious, adverse effects upon us.

"Mr. President, ladies and gentlemen, may I once again express my deepest Aloha to you for providing me this opportunity, during one of your most hectic legislative days, to share some of my country's concerns with you.

"Thank you and Mahalo!"

The Chair thanked Dr. Kim and said, "As one of our partners in the Pacific region, we welcome you to Hawaii."

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

The Senate reconvened at 11:59 o'clock a.m.

#### MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 214 and 215) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 214, transmitting the 1986 Preliminary Report on Completed Lawsuits Involving the State of Hawaii, Its Agencies

and Employees, 1980-1986, prepared by the Department of the Attorney General, was referred to the Committee on Judiciary.

Gov. Msg. No. 215, transmitting a report prepared by the Department of Transportation in response to H.R. No. 298 (1985), Requesting the Director of Transportation to Investigate the Problems Relating to the Use of Shorewaters and Beaches of the North Shore of Kauai and to Develop a Management Plan to Ensure the Orderly Use Thereof, was referred to the Committee on Tourism and Recreation.

#### HOUSE COMMUNICATIONS

Hse. Com. Nos. 227 to 258, transmitting the following House Bills which passed Third Reading in the House of Representatives on March 4, 1986, were placed on file and, on motion by Senator Cobb, seconded by Senator Soares and carried, said House Bills passed First Reading by title and were referred to committee as follows:

Hse. Com. No. 227 - H.B. No. 1291, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," was referred to the Committee on Consumer Protection and Commerce;

Hse. Com. No. 228 - H.B. No. 1754-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PRODUCT PROMOTION PROGRAMS FOR ANTHURIUMS," was referred to the Committee on Agriculture, then to the Committee on Ways and Means;

Hse. Com. No. 229 - H.B. No. 1763-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL LOANS," was referred to the Committee on Economic Development;

Hse. Com. No. 230 - H.B. No. 1823-86, entitled: "A BILL FOR AN ACT RELATING TO THE COMPENSATION OF CERTAIN PERSONS UNDER THE CRIMINAL INJURIES COMPENSATION ACT AND PROVIDING APPROPRIATIONS THEREFOR," was referred to the Committee on Human Services, then to the Committee on Ways and Means;

Hse. Com. No. 231 - H.B. No. 1855-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BRANDING," was referred to the Committee on Agriculture;

Hse. Com. No. 232 - H.B. No. 1856-86, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," was referred to the Committee on Ways and Means;

Hse. Com. No. 233 - H.B. No. 1982-86,

entitled: "A BILL FOR AN ACT RELATING TO THE REPORTING OF ANIMAL DISEASES," was referred to the Committee on Agriculture;

Hse. Com. No. 234 - H.B. No. 1983-86, entitled: "A BILL FOR AN ACT RELATING TO FEES," was referred to the Committee on Agriculture;

Hse. Com. No. 235 - H.B. No. 1954-86, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE III, SECTION 10, OF THE HAWAII CONSTITUTION TO CHANGE THE LEGISLATIVE SESSION RECESS REQUIREMENT," was referred to the Committee on Judiciary;

Hse. Com. No. 236 - H.B. No. 1964-86, entitled: "A BILL FOR AN ACT RELATING TO THE MILK CONTROL PROGRAM," was referred to the Committee on Agriculture, then to the Committee on Ways and Means;

Hse. Com. No. 237 - H.B. No. 1966-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PROMOTION OF PINEAPPLE," was referred to the Committee on Agriculture, then to the Committee on Ways and Means;

Hse. Com. No. 238 - H.B. No. 2000-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE AND NEGLECT PREVENTION," was referred to the Committee on Human Services;

Hse. Com. No. 239 - H.B. No. 2056-86, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL CARE PAYMENTS," was referred to the Committee on Human Services;

Hse. Com. No. 240 - H.B. No. 2121-86, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," was referred to the Committee on Human Services;

Hse. Com. No. 241 - H.B. No. 2124-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," was referred to the Committee on Judiciary;

Hse. Com. No. 242 - H.B. No. 2125-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," was referred to the Committee on Judiciary;

Hse. Com. No. 243 - H.B. No. 2166-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BLIND OR VISUALLY HANDICAPPED CONCESSIONAIRES," was referred to the Committee on Education;

Hse. Com. No. 244 - H.B. No. 2126-86,

entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," was referred to the Committee on Judiciary;

Hse. Com. No. 245 - H.B. No. 2204-86, entitled: "A BILL FOR AN ACT RELATING TO HAWAII CRIMINAL JUSTICE DATA CENTER: CIVIL IDENTIFICATION," was referred to the Committee on Judiciary, then to the Committee on Ways and Means;

Hse. Com. No. 246 - H.B. No. 2262-86, entitled: "A BILL FOR AN ACT RELATING TO WORKER'S COMPENSATION," was referred to the Committee on Consumer Protection and Commerce;

Hse. Com. No. 247 - H.B. No. 2273-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL PARKS," was referred to the Committee on Agriculture, then to the Committee on Ways and Means;

Hse. Com. No. 248 - H.B. No. 2299-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RIGHT TO FARM ACT," was referred to the Committee on Agriculture;

Hse. Com. No. 249 - H.B. No. 2345-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AND AUTHORIZING AN ADOPTION ASSISTANCE COMPACT AND PROCEDURES FOR INTERSTATE SERVICES PAYMENTS," was referred to the Committee on Human Services;

Hse. Com. No. 250 - H.B. No. 2424-86, entitled: "A BILL FOR AN ACT RELATING TO NO-FAULT INSURANCE," was referred to the Committee on Consumer Protection and Commerce;

Hse. Com. No. 251 - H.B. No. 2427-86, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF TRANSPORTATION," was referred to the Committee on Labor and Employment;

Hse. Com. No. 252 - H.B. No. 2436-86, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL QUALITY," was referred to the Committee on Health;

Hse. Com. No. 253 - H.B. No. 2516-86, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGES," was referred to the Committee on Judiciary;

Hse. Com. No. 254 - H.B. No. 2619-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE QUEEN KAPIOLANI 100TH ANNIVERSARY COMMEMORATIVE PROMOTIONAL TOUR," was referred to the Committee on Tourism and Recreation, then to the

Committee on Ways and Means;

Hse. Com. No. 255 - H.B. No. 2106-86, entitled: "A BILL FOR AN ACT RELATING TO GENERAL PROVISIONS OF AQUATIC RESOURCES AND WILDLIFE," was referred to the Committee on Economic Development;

Hse. Com. No. 256 - H.B. No. 2681-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE LITTER CONTROL OFFICE," was referred to the Committee on Health, then to the Committee on Ways and Means;

Hse. Com. No. 257 - H.B. No. 2700-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT," was referred to the Committee on Economic Development; and

Hse. Com. No. 258 - H.B. No. 2726-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO DEVELOP AGRICULTURE LEADERSHIP PROGRAMS," was referred to the Committee on Agriculture, then to the Committee on Ways and Means.

#### SENATE CONCURRENT RESOLUTIONS

The following concurrent resolutions (S.C.R. Nos. 31 and 32) were read by the Clerk and were disposed of as follows:

S.C.R. No. 31, entitled: "SENATE CONCURRENT RESOLUTION URGING THE USE OF TOILETS THAT CONSUME LESS WATER," was offered by Senators Matsuura, Aki, George, A. Kobayashi, Henderson, Soares, Hagino, Yamasaki, B. Kobayashi, McMurdo, Solomon, Machida, Toguchi, Hee, Abercrombie, Young, Mizuguchi, Chang, Kawasaki, Cayetano, Holt, Cobb, Fernandes Salling and Kuroda.

By unanimous consent, S.C.R. No. 31 was referred to the Committee on Economic Development.

S.C.R. No. 32, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT FISH DEALERS REFRAIN FROM PURCHASING OR HANDLING AHI THAT WEIGHS LESS THAN THREE POUNDS," was offered by Senators Matsuura, Hagino, Soares, Aki, George, A. Kobayashi, Henderson, Yamasaki, B. Kobayashi, McMurdo, Solomon, Machida, Toguchi, Hee, Abercrombie, Young, Chang, Cayetano, Cobb, Fernandes Salling and Kuroda.

By unanimous consent, S.C.R. No. 32 was referred to the Committee on Economic Development.

#### SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 56 to 60) were read by the Clerk and were disposed of as follows:

S.R. No. 56, entitled: "SENATE RESOLUTION REQUESTING THAT ALL AIRCRAFT CEASE LOW-FLYING PATTERNS OVER POPULATED AREAS," was offered by Senator Abercrombie.

By unanimous consent, S.R. No. 56 was referred to the Committee on Transportation.

S.R. No. 57, entitled: "SENATE RESOLUTION REQUESTING THAT THE WAIKIKI SHELL BE EXEMPT FROM NOISE POLLUTION RESTRICTIONS," was offered by Senator Abercrombie.

By unanimous consent, S.R. No. 57 was referred to the Committee on Health.

S.R. No. 58, entitled: "SENATE RESOLUTION REQUESTING THAT THE ALA WAI SMALL BOAT HARBOR HELIPAD BE CLOSED," was offered by Senator Abercrombie.

By unanimous consent, S.R. No. 58 was referred to the Committee on Tourism and Recreation.

S.R. No. 59, entitled: "SENATE RESOLUTION URGING THE USE OF TOILETS THAT CONSUME LESS WATER," was offered by Senators Matsuura, Aki, George, A. Kobayashi, Henderson, Soares, Hagino, Yamasaki, B. Kobayashi, McMurdo, Solomon, Machida, Toguchi, Hee, Abercrombie, Young, Mizuguchi, Chang, Kawasaki, Cayetano, Holt, Cobb, Fernandes Salling and Kuroda.

By unanimous consent, S.R. No. 59 was referred to the Committee on Economic Development.

S.R. No. 60, entitled: "SENATE RESOLUTION REQUESTING THAT FISH DEALERS REFRAIN FROM PURCHASING OR HANDLING AHI THAT WEIGHS LESS THAN THREE POUNDS," was offered by Senators Matsuura, Hagino, Soares, Aki, George, A. Kobayashi, Henderson, Yamasaki, B. Kobayashi, McMurdo, Solomon, Machida, Toguchi, Hee, Cayetano, Holt, Abercrombie, Young, Chang, Cobb, Fernandes Salling and Kuroda.

By unanimous consent, S.R. No. 60 was referred to the Committee on Economic Development.

#### ORDER OF THE DAY

##### THIRD READING

Stand. Com. Rep. No. 263-86 (S.B. No. 2134-86):

By unanimous consent, action on Stand. Com. Rep. No. 263-86 and S.B. No. 2134-86 was deferred to the afternoon calendar.

At 12:01 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

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

MATTERS DEFERRED FROM  
TUESDAY, MARCH 4, 1986

Senate Resolution No. 49:

At this time, Senator Abercrombie requested a ruling of the Chair as follows:

"Mr. President, before I move for the adoption of the resolutions, I would like a conflict ruling from you. I'm an officer of a nonprofit foundation, the principal supporter of which is Hawaiian Memorial Park, and they are involved in this possibility of land exchange."

The Chair ruled that Senator Abercrombie was not in conflict.

Senator Abercrombie then moved that S.R. No. 49 be adopted, seconded by Senator Soares.

Senator Kawasaki rose to express a concern about the resolution and remarked:

"Mr. President, my concern about this resolution is that it practically mandates the Department of Land and Natural Resources to enter into an exchange. I would prefer that the resolution somehow read that they consider a possible exchange. A mandate to exchange, in fact, and a request to look into the possibilities and advantages of entering into an exchange are two different things, and I just wondered whether we would not be tying the hands of the Department of Land and Natural Resources by the language of this bill."

The Chair posed the concern to the chairman of the Committee on Human Services and Senator Abercrombie responded:

"Mr. President, in response, that's a good point.

"I know we have a long day today and I didn't want to get into a lengthy discussion.

"Mr. President, this resolution comes as a result of a lengthy and extensive hearing held not only in my committee, but by the State Veterans Advisory Council all over the state, at their own expense. The Department of Social Services and Housing and others all testified in favor of it.

"The problem is a simple but profound

one. The National Cemetery at Punchbowl will soon be full and the only alternative at the present time in terms of burials will be for people from Hawaii to be buried in Riverside, California. That's the closest place that they could go.

"All that this resolution will do will encourage a discussion of whether or not a land exchange will take place at no cost to the state. If the negotiations were successful, all well and good; if they're not successful, then we will in fact look for something else, possibly having to pay for it.

"If this land exchange is successful, the talks are successful, and that's all they are, is talks, there's no requirement for anybody to do anything other than to see whether the state would conclude it's in its interest to do it. At that point, there would be a requirement at the Legislature, then decide whether we want to go ahead and do it because we would have to go into partnership with the Federal Government to maintain such a cemetery for veterans.

"From a public policy point of view, I think it would be a good idea to have such a facility available here in Hawaii. Whether or not the negotiations in this particular resolution are successful or not, very frankly, is up to the two entities involved. So this is the considered judgment after lengthy public hearings on all islands and in the Legislature that at least an attempt be made for a land exchange at no cost to the state."

Senator Kawasaki then continued:

"One final point of inquiry. I understand, according to the language of this resolution, that the state owns an adjacent parcel of 89.5 acres adjacent to this piece that the Hawaiian Memorial Park owns, is that correct? And is it possible for us to build a cemetery on the state's land without going into an exchange?"

Senator Abercrombie answered:

"That's the point. If a land exchange takes place, it would be possible. That's exactly what we're trying to get them to do. I suppose, the state could try and do it on its own. They already own 203 acres on the other side of Hawaiian Memorial Park so the point would be to make it adjacent because then you would not have to go to the expense of developing a separate entrance, etc. It would be literally adjacent to the present cemetery. That is why it seems to make sense and I think that's why the State Veterans Council decided on the site.

"Very frankly, Mr. President, this kind of discussion is premature because we don't know whether the state wants to go ahead

with it or not, or whether the exchange is even possible. So, if we pass the resolution, which as I said did have the positive testimony of DSSH which has the responsibility at this stage, then we can see whether or not it works out. If it doesn't, then we'll have to make some other arrangement.

"We could come to a policy, of course, where we decide not to do it, at which point the veterans who wish to be buried as veterans will have to go to the Mainland. So, whatever way it works out, it has to be dealt with one way or another. This seemed to the Veterans Council as the least costly alternative to be pursued first."

Senator Kawasaki continued:

"Mr. President, I am satisfied with the explanation by Senator Abercrombie just as long as we know that this resolution requests the Department of Land and Natural Resources to enter into a discussion about a possible exchange and it's not a mandate, outright."

The motion was then put by the Chair and carried, and S.R. No. 49, entitled: "SENATE RESOLUTION REQUESTING THAT THE DEPARTMENT OF LAND AND NATURAL RESOURCES EXCHANGE LAND WITH THE HAWAIIAN MEMORIAL PARK CEMETERY ASSOCIATION TO PROVIDE LAND FOR A STATE VETERANS CEMETERY," was adopted.

Senate Concurrent Resolution No. 26:

On motion by Senator Abercrombie, seconded by Senator Soares and carried, S.C.R. No. 26, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT THE DEPARTMENT OF LAND AND NATURAL RESOURCES EXCHANGE LAND WITH THE HAWAIIAN MEMORIAL PARK CEMETERY ASSOCIATION TO PROVIDE LAND FOR A STATE VETERANS CEMETERY," was adopted.

### THIRD READING

Stand. Com. Rep. No. 272-86 (S.B. No. 1496, S.D. 2):

On motion by Senator Matsuura, seconded by Senator Aki and carried, Stand. Com. Rep. No. 272-86 was adopted and S.B. No. 1496, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GEOTHERMAL ENERGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (McMurdo). Excused, 1 (Kuroda).

Senate Bill No. 1967-86, S.D. 1:

By unanimous consent, S.B. No. 1967-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIER SAFETY," was recommitted to the Committee on Transportation.

Senate Bill No. 2403-86, S.D. 1:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 2403-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1727-86:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 1727-86, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1789-86:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 1789-86, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC RECORDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 2512-86:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 2512-86, entitled: "A BILL FOR AN ACT ESTABLISHING A STATE POLICY ENCOURAGING RIDESHARING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1527-86:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1527-86, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 2519-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2519-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1765-86, S.D. 1:

By unanimous consent, S.B. No. 1765-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," was recommitted to the Committee on Housing and Community Development.

Senate Bill No. 1761-86:

On motion by Senator Young, seconded by Senator Hee and carried, S.B. No. 1761-86, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL LEASEHOLDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1826-86:

On motion by Senator Young, seconded by Senator Hee and carried, S.B. No. 1826-86, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL LEASEHOLDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1750-86, S.D. 1:

By unanimous consent, S.B. No. 1750-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROL OF PETROLEUM PRODUCTS," was recommitted to the Committee on Energy.

Senate Bill No. 2248-86, S.D. 1:

By unanimous consent, S.B. No. 2248-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SEATBELTS," was recommitted to the Committee on Transportation.

Senate Bill No. 1794-86:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 1794-86, entitled: "A BILL FOR AN ACT RELATING TO THE METROPOLITAN PLANNING ORGANIZATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 1060, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 1060, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAPSING OF APPROPRIATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 297-86 (S.B. No. 1684-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 297-86 was adopted and S.B. No. 1684-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF A SPECIAL FUND FOR THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 288-86 (S.B. No. 1855-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 288-86 be adopted and S.B. No. 1855-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Kawasaki rose to speak against the measure as follows:

"Mr. President, I have some reservations about the passage of this bill providing for special purpose non-taxable revenue bonds for this enterprise.

"We've had the occasion to visit the site to see the project. It's a very viable project with great potential; however, I just wonder whether there is a requirement to provide the benefits of non-taxable revenue bonds for the amount of \$3 million in view of the fact that this company, while it's about four or five years old, the initial flotation of stock that insiders picked up practically at no cost to themselves, and to others who knew about the project at its inception, who picked up the stock at 25 cents a share is today over the counter market about a dollar and a half. So the insiders and people who were early in the acquisition of common stocks of this company are at a rather profitable situation if they decide to sell their shares.

"There is a total, I think, of approximately \$13 million to \$14 million of shares floated right now in the market and I just wonder if these people wanted to raise capital to enlarge the operation, which is a sensible thing to do considering the potential, perhaps they should finance it from their own internal cash-flow or perhaps sell some of the shares that the directors and the insiders own rather than to ask the state to sacrifice the revenues that would be derived from the interest payment on the income to these people who would buy these bonds, \$3 million worth. So I just wonder if we are justified at this point, notwithstanding our desire to help growing enterprises, whether we should be passing this bill.

"I have a very strong reservation about their inability on their own, to finance this operation. This, incidentally, is a Mainland company of quite some size and I don't know that this company needs this kind of help from the state right now which would deny our own state tax office as well as the Internal Revenue, income from the interest payments to bond holders that they could get so I have some reservations about this bill. I would have to vote 'no' on this."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 288-86 was adopted and S.B. No. 1855-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Kawasaki). Excused, 1 (Kuroda).

Stand. Com. Rep. No. 289-86 (S.B. No. 1958-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 289-86 was adopted and S.B. No. 1958-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PETTY CASH FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 290-86 (S.B. No. 2465-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 290-86 was adopted and S.B. No. 2465-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LIBRARIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 291-86 (S.B. No. 1744-86, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 291-86 and S.B. No. 1744-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 292-86 (S.B. No. 1933-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 292-86 was adopted and S.B. No. 1933-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AWARDS OF ATTORNEYS' FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 293-86 (S.B. No. 2316-86):

By unanimous consent, Stand. Com. Rep. No. 293-86 and S.B. No. 2316-86, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PAYMENT OF JUDGMENT AGAINST THE DEPARTMENT OF EDUCATION, STATE OF HAWAII, AND IN FAVOR OF THE UNITED STATES DEPARTMENT OF EDUCATION THROUGH ITS SECRETARY," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 294-86 (S.B. No. 1783-86, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 294-86 and S.B. No. 1783-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRANSFER OF THE HOOMANA SCHOOL PROGRAM FROM THE UNIVERSITY OF HAWAII TO THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 295-86 (S.B. No. 2263-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 295-86 was adopted and S.B. No. 2263-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VICTIM-WITNESS ASSISTANCE PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).



Senate Bill No. 1762-86, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 1762-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REMOVAL OF CONSTRAINTS INHIBITING THE ESTABLISHMENT AND EXPANSION OF CORRECTIONAL INDUSTRIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Senate Bill No. 686, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 686, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CLASS SIZE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Kawasaki). Excused, 1 (Kuroda).

Stand. Com. Rep. No. 298-86 (S.B. No. 2322-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 298-86 was adopted and S.B. No. 2322-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

At 12:19 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:20 o'clock p.m.

Stand. Com. Rep. No. 299-86 (S.B. No. 1779-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 299-86 and S.B. No. 1779-86, S.D. 2, was deferred to the afternoon calendar.

Stand. Com. Rep. No. 300-86 (S.B. No. 1852-86, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 300-86 and S.B. No. 1852-86, S.D. 1, was deferred to the afternoon calendar.

Stand. Com. Rep. No. 301-86 (S.B. No. 1828-86, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 301-86 and S.B. No. 1828-86, S.D. 1, was deferred to the afternoon

calendar.

Stand. Com. Rep. No. 302-86 (S.B. No. 1780-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 302-86 and S.B. No. 1780-86, S.D. 2, was deferred to the afternoon calendar.

Stand. Com. Rep. No. 303-86 (S.B. No. 1773-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 303-86 and S.B. No. 1773-86, S.D. 2, was deferred to the afternoon calendar.

Stand. Com. Rep. No. 304-86 (S.B. No. 2046-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 304-86 was adopted and S.B. No. 2046-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 305-86 (S.B. No. 2147-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 305-86 was adopted and S.B. No. 2147-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIFELINE TELEPHONE SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 306-86 (S.B. No. 2190-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 306-86 was adopted and S.B. No. 2190-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HOUSING AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

At 12:23 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.

At 12:28 o'clock p.m., on motion by

Senator Cobb, seconded by Senator Soares and carried, the Senate stood in recess until 4:00 o'clock p.m.

#### AFTERNOON SESSION

The Senate reconvened at 4:43 o'clock p.m.

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

Senator Yamasaki, on behalf of Senators Machida and Solomon and himself, introduced Mr. George Ito, "an active Maui community leader."

Senator Abercrombie then introduced Dr. Albert Simone, President of the University of Hawaii, and Dr. Anthony Marsella, Acting Vice President for Academic Affairs, who were accompanied by other members of the University administration.

#### MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 216 to 218) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 216, transmitting the Department of Agriculture Annual Report for FY 1985, was referred to the Committee on Agriculture.

Gov. Msg. No. 217, transmitting the following reports prepared by the State Law Enforcement Planning Agency, Department of the Attorney General, for the Juvenile Justice Interagency Board, pursuant to Chap. 571D, HRS:

Juvenile Justice Information System Study, Supplementary Report II, Legal Issues; and

Juvenile Justice Information System Study, Supplementary Report II, Social History Data,

was referred to the Committee on Judiciary.

Gov. Msg. No. 218, transmitting a report, "Hawaii's Income and Expenditure Accounts: 1958-1983," prepared by the Department of Planning and Economic Development in cooperation with the Research Corporation of the University of Hawaii, pursuant to Act 301, SLH 1983, was referred to the Committee on Ways and Means.

#### MATTERS DEFERRED FROM THE MORNING CALENDAR

##### THIRD READING

Stand. Com. Rep. No. 263-86 (S.B. No. 2134-86):

By unanimous consent, action on Stand. Com. Rep. No. 263-86 and S.B. No. 2134-86 was deferred to the end of the calendar.

Stand. Com. Rep. No. 299-86 (S.B. No. 1779-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 299-86 be adopted and S.B. No. 1779-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Holt, at this time, rose to speak in support of the measure as follows:

"Mr. President, I rise to speak in support of this bill and the next several bills which relate to the University of Hawaii, more specifically, Senate Bill 1828, Senate Bill 1780 and Senate Bill 1974. Merely in the interest of time, I'd like to make my statement right now and will be open for questions on the bills as they arise.

"Very briefly, Mr. President, I'd like to point out to the members of this body that Senate Bills 1779, 1828 and 1780 are measures which have been introduced for our consideration at the request of the administration. These bills, Mr. President, represent the basis of the University's 'flexibility legislation.'

"These bills, Mr. President, will allow the University to assume direct responsibility and accountability for such areas as: the personnel administration of the University's civil service employees, the management and control of the University's payroll, disbursing and internal accounting functions, and thirdly, the authority to determine its own priorities in the preparation and execution of the budget.

"Your Committees on Higher Education and Ways and Means to which these bills have been referred are in agreement that in their present form they are consistent with the intent of the executive and the understanding of the University as reflected in the executive's memorandum to the President of the University, dated September 24, 1985. For the record, Mr. President, I would like to point out that this was the only basis for actions taken on these bills by your committees.

"Also for the record, Mr. President, I feel that it will be appropriate for the Senate Journal to reflect the guiding principles behind these bills as expressed by the executive and confirmed by the University.

"With your permission, Mr. President, I would like to read the pertinent parts of the executive's memorandum of September 24, 1985, and the testimony of the University president as presented at the public hearing on February 7, 1986.

"Governor Ariyoshi in his memorandum stated: 'The transference of a number of administrative responsibilities to the University of Hawaii is especially timely in light of recent planning initiatives and accomplishments at the state and university level. With the formulation of the Hawaii Higher Education Plan and the University of Hawaii's Strategic Plan, the University has moved to a stage of development warranting increased responsibility for its internal management. It is particularly important that the planning initiative set forth in the State Plan and the Strategic Plan move forward in an administrative environment that can facilitate change and vitality. The adoption of the State Functional Plan for Higher Education and the University's Strategic Plan are significant milestones, and it is now time to take the next bold step — creating the administrative environment to carry out our goals and objectives.'

"Now from the University's testimony on February 7th, President Simone stated: 'A shifting of a number of administrative responsibilities to the University is especially timely in light of recent planning initiatives and accomplishments at the state and university level. With the formulation of the State of Hawaii Higher Education Plan, the University of Hawaii's Strategic Plan, the University has moved to a stage of development warranting increased responsibility for its internal management. It is particularly important that the planning initiative set forth in the State Plan and the Strategic Plan move forward in an administrative environment that can facilitate change and vitality.'

"As you can see, Mr. President, the executive and the University both speak of a new 'administrative environment' for the University. It is my belief, Mr. President, that the bills before us will accomplish this — nothing more, nothing less. These bills will promote administrative efficiency and to some extent reduce what has been called the 'inappropriate intrusion of our state departments into the internal affairs of the University.'

"I think this is important to remember, Mr. President, because there are some of us here in both houses of the Legislature who truly and sincerely believe that these bills will fully and completely address such concerns as expressed by the Legislative Auditor in 1981 and again by the Western Association of Schools and Colleges Accreditation Team in 1985.

"I think it is also important to remember, Mr. President, that these so-called 'flexibility bills' do not attempt to address the constitutional status of the University as recommended in the 1985 Accreditation Team's report and by members of this Legislature on numerous occasions, most

recently by Senator Cayetano during discussion on the U.H. president's salary bill.

"For this reason, Mr. President, your Committee on Higher Education has attempted to fill this void with S.B. No. 1974, which we will consider later, relating to the jurisdiction of the Board of Regents. It is my belief, Mr. President, that the addition of S.B. No. 1974 to the University's 'flexibility bills,' will result in a more comprehensive package of legislation which truly meets the requirements of the University for today and in the future.

"In urging my colleagues to vote in favor of the 'flexibility bills,' and in view of the fact that members of the University administration are present in the gallery, I believe that it would be appropriate for me at this time to speak briefly about 'expectations.' More specifically, Mr. President, I am referring to the expectations of those of us who will vote in favor of these bills. I think it would be sufficient, Mr. President, to convey our expectations to the executive, the University administration and the Board of Regents with several key words:

Accountability,  
Cooperation,  
Public trust,  
Responsibility,  
Integrity, and  
Quality.

"Let there be no doubt, Mr. President, that the Senate, in passing these measures, gave full and free consideration to all of the concerns of the University. Also, Mr. President, when the votes are counted and, hopefully, these measures are approved, let the Journal reflect that the Senate has taken this action to support the University in carrying out its duties and responsibilities to the people of this state and the larger community.

"I urge everyone to vote for these bills. Thank you."

Senator Kawasaki then inquired:

"Mr. President, while I am voting for three of these bills, I would like to direct a point of inquiry to the chairman of the Higher Education Committee."

The Chair asked if the chairman of the Higher Education Committee would yield to question, and Senator Holt having answered in the affirmative, Senator Kawasaki asked:

"Mr. President, I believe that these bills are apparently designed to bring about the administrative flexibility that everybody espouses. It just seems to me, perhaps, that it behooves the administration to also have introduced a bill asking for the repeal of

that law, that statute that created collective bargaining over at the University of Hawaii campus, simply because, as I recall, one of the messages that the outgoing president of the University of Hawaii, outgoing President Matsuda, had was a statement to the effect that he considered the faculty union, and what it stood for in the way of what I call a sanctuary for the deadwood at the campus there, to be one of the impediments.

"I recall the chairman of the presidential selection committee, my good friend George Chaplin of the Advertiser, also stating that one of the problems with trying to obtain a first-class institution at the University campus was the fact of the faculty union there; that in the leading colleges, including some of the Ivy League colleges, one of the reasons for having the quality that's identifiable with those institutions was the fact that they did not have a faculty union, at least not the kind of faculty union that generally stood in the way of advancements for a good quality higher education system.

"When that kind of action is really forthcoming from the administration, then I believe that we have honestly and sincerely tried to remove all impediments toward creating a first-class institution there. Short of that, I say that the faculty union there is still going to cause the new president and the administration some problems."

Senator Holt responded:

"In response, very briefly, the Accreditation Team did address collective bargaining in their review of the University. They did find that the relationship has been stormy in the past. There have been impasse in faculty negotiations five separate times.

"They did make a recommendation that the administration and the faculty union, quoting from the accreditation report, '... must endeavor to reduce the tension that presently exists between them through a deliberate program of meetings, discussions and clarification of mutual goals and limitations imposed by those external to the university.'

"I think the message has been received by the University administration. We're hopeful that they are working on this as addressed by the concerns of the Accreditation Team and Senator Kawasaki. Thank you."

Senator Kawasaki continued:

"Thank you very much.

"I just want to restate and compliment again that segment of the faculty there that

had the concern; that did consider the future of the University and had the courage of their convictions to come out and say ... some one hundred or so of the faculty members ... that stated that perhaps the removal of the faculty union there would be a great step forward to bring about quality at the campus there. I do compliment those faculty members who had the courage to state that."

Senator Abercrombie spoke in support of the measure and stated:

"Mr. President, speaking in favor of the passage of the bill and, by extension, the other bills.

"I feel it necessary to comment once again and refer my good friend Senator Kawasaki to the remarks made the other day which I will not repeat this evening, other than to say I walked the picket line with the faculty members who did go out on strike on every island in this state, and that I was happy to be there with them for the purpose that they were there. I was not happy they had to go out and strike to try and make their point.

"I would indicate also for the record that I expect Mr. George Chaplin who is the head of that committee, no doubt in the days before he was an editor was a member of a union himself, the newspaper guild. And I never have recalled Mr. Chaplin indicating that the newspaper would be better off or improve its quality by getting rid of the union. I always thought that had to do with the caliber of the personnel.

"I would also indicate that I think the difficulties occurred with collective bargaining before under another administration, and as the chairman has pointed out, we have a new administration. He has issued by way of his remarks here this afternoon, both a call to that administration and setting a table of expectations, and I think that we should, before we get to the question of collective bargaining, allow the present representatives of the faculty and the new administrative setup at the University to work with one another within the confines and context of the academic community, and if all goes as is hoped, especially with the passage of these bills, perhaps the question of collective bargaining will become a moot point, something that will remain in limbo as we look forward to the progress that the administration and the faculty will make together in the new era to come. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 299-86 was adopted and S.B. No. 1779-96, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PERSONNEL OF THE UNIVERSITY OF

HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 300-86 (S.B. No. 1852-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 300-86 was adopted and S.B. No. 1852-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 301-86 (S.B. No. 1828-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 301-86 was adopted and S.B. No. 1828-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ACCOUNTS OF THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

Stand. Com. Rep. No. 302-86 (S.B. No. 1780-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 302-86 was adopted and S.B. No. 1780-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ALLOTMENT SYSTEM AND THE EXECUTIVE BUDGET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Kawasaki). Excused, 1 (Kuroda).

Stand. Com. Rep. No. 303-86 (S.B. No. 1773-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 303-86 be adopted and S.B. No. 1773-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Abercrombie spoke in support of the bill and remarked:

"Mr. President, just a brief word on the revolving fund. I think that it is very, very important that this bill pass. This is a culmination of many years of effort and inasmuch as this will be my last year in the

Senate of the State of Hawaii, I am very, very gratified to see a bill like this moving along.

"I think that there are rewards both for the University in terms of its faculty members and for the community and the state as a whole with the passage of this kind of bill will be such that we can look back in years to come and realize that this was one of the most important steps ever taken in the history of our state Legislature in advancing the cause of higher education and for the benefit of all of our people."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 303-86 was adopted and S.B. No. 1773-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII RESEARCH AND TRAINING REVOLVING FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Kuroda).

At 5:10 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:13 o'clock p.m.

### THIRD READING

Senate Bill No. 2206-86, S.D. 1:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 2206-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL FISHING VESSELS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawasaki).

Senate Bill No. 2159-86, S.D. 1:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 2159-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEPARTMENT OF TRANSPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawasaki).

Senate Bill No. 2127-86, S.D. 1:

On motion by Senator Toguchi, seconded by Senator Solomon and carried, S.B. No. 2127-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2467-86, S.D. 1:

By unanimous consent, S.B. No. 2467-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BLIND OR VISUALLY HANDICAPPED," was recommitted to the Committee on Education.

Senate Bill No. 200, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 200, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF PRIVATE DETECTIVES AND GUARDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 225, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 225, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHECKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1571-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1571-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INDUSTRY LICENSING ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1576-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1576-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES UNDER WARRANTIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1604-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1604-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1912-86, S.D. 1:

On motion by Senator Cobb, seconded by

Senator B. Kobayashi and carried, S.B. No. 1912-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE ACCIDENT REPARATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2300-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2300-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1669-86:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 1669-86, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1672-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 1672-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2049-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2049-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MANAGERIAL WHITE-COLLAR POSITIONS EXCLUDED FROM COLLECTIVE BARGAINING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2053-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2053-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TERMINATIONS, RESIGNATIONS, DISMISSALS, DEMOTIONS, QUILTS, NOTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2170-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2170-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2261-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2261-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A CERTAIN EXEMPT POSITION IN THE INTERNATIONAL SERVICES BRANCH OF THE BUSINESS AND INDUSTRY DEVELOPMENT DIVISION, DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawasaki).

Senate Bill No. 2427-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2427-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 310, S.D. 1:

By unanimous consent, action on S.B. No. 310, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 1770-86:

By unanimous consent, S.B. No. 1770-86, entitled: "A BILL FOR AN ACT RELATING TO AIRCRAFT SERVICING VEHICLES," was recommitted to the Committee on Transportation.

Senate Bill No. 1056, S.D. 2:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 1056, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM AERONAUTICS ACT (MODIFIED)," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1673-86

By unanimous consent, S.B. No. 1673-86, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HIGHWAYS," was recommitted to the Committee on Transportation.

Senate Bill No. 1875-86, S.D. 1:

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, S.B. No. 1875-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION OF APPLICANTS FOR HAWAII DRIVER'S LICENSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1629-86:

On motion by Senator Solomon, seconded by Senator Hagino and carried, S.B. No. 1629-86, entitled: "A BILL FOR AN ACT RELATING TO LIVESTOCK OWNERSHIP AND MOVEMENT CERTIFICATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1644-86, S.D. 1:

On motion by Senator Solomon, seconded by Senator Hagino and carried, S.B. No. 1644-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1908-86, S.D. 1:

On motion by Senator Solomon, seconded by Senator Hagino and carried, S.B. No. 1908-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1646-86:

On motion by Senator Solomon, seconded by Senator Hagino and carried, S.B. No. 1646-86, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY OF DOG OWNER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2025-86:

On motion by Senator Kuroda, seconded by Senator McMurdo and carried, S.B. No.

2025-86, entitled: "A BILL FOR AN ACT RELATING TO FISHING IN CERTAIN WATERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2245-86, S.D. 1:

By unanimous consent, action on S.B. No. 2245-86, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 1659-86, S.D. 1:

By unanimous consent, S.B. No. 1659-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPILLING LOADS ON HIGHWAYS," was recommitted to the Committee on Transportation.

House Bill No. 2022-86:

On motion by Senator Young, seconded by Senator Hee and carried, H.B. No. 2022-86, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2091-86, S.D. 1:

On motion by Senator Young, seconded by Senator Hee and carried, S.B. No. 2091-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAII HOUSING AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (George).

Stand. Com. Rep. No. 339-86 (S.B. No. 2318-86, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 339-86 and S.B. No. 2318-86, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 340-86 (S.B. No. 2317-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 340-86 and S.B. No. 2317-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 341-86 (S.B. No. 2095-86):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 341-86 was adopted and S.B. No. 2095-86, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES,"

having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 342-86 (S.B. No. 2072-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 342-86 was adopted and S.B. No. 2072-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2308-86, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 2308-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 344-86 (S.B. No. 2002-86):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 344-86 was adopted and S.B. No. 2002-86, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Cayetano, George and A. Kobayashi).

Stand. Com. Rep. No. 345-86 (S.B. No. 2471-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 345-86 was adopted and S.B. No. 2471-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ICE STORAGE SYSTEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 346-86 (S.B. No. 2325-86):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 346-86 was adopted and S.B. No. 2325-86, entitled: "A BILL FOR AN ACT RELATING TO FUEL TAX LAW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:



Ayes, 25. Noes, none.

Stand. Com. Rep. No. 347-86 (S.B. No. 1800-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 347-86 and S.B. No. 1800-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 348-86 (S.B. No. 2474-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 348-86 was adopted and S.B. No. 2474-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CHILDREN'S ADVOCACY PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 349-86 (S.B. No. 1827-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 349-86 was adopted and S.B. No. 1827-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1778-86, S.D. 1:

On motion by Senator Holt, seconded by Senator Chang and carried, S.B. No. 1778-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1974-86:

On motion by Senator Holt, seconded by Senator Chang and carried, S.B. No. 1974-86, entitled: "A BILL FOR AN ACT RELATING TO THE JURISDICTION OF THE BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1963-86, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 1963-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading

on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2392-86:

By unanimous consent, S.B. No. 2392-86, entitled: "A BILL FOR AN ACT RELATING TO COUNTY ZONING," was recommitted to the Committee on Government Operations.

Senate Bill No. 2296-86:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 2296-86, entitled: "A BILL FOR AN ACT RELATING TO LIQUOR LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2070-86, S.D. 1:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 2070-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXPENDITURES OF PUBLIC MONEYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2309-86, S.D. 1:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 2309-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PASSENGER CARRIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 357-86 (S.B. No. 1423):

By unanimous consent, Stand. Com. Rep. No. 357-86 and S.B. No. 1423, entitled: "A BILL FOR AN ACT RELATING TO THE VICE DIRECTOR OF CIVIL DEFENSE," were recommitted to the Committee on Government Operations.

Senate Bill No. 1520-86, S.D. 1:

By unanimous consent, S.B. No. 1520-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DAYLIGHT SAVINGS TIME," was recommitted to the Committee on Government Operations.

Senate Bill No. 1561-86:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 1561-86, entitled: "A BILL FOR

AN ACT RELATING TO COUNTY LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 360-86 (S.B. No. 1490-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 360-86 and S.B. No. 1490-86, S.D. 2, was deferred to the end of the calendar.

Senate Bill No. 1667-86, S.D. 1:

By unanimous consent, S.B. No. 1667-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TUBERCULOSIS," was recommitted to the Committee on Health.

Senate Bill No. 1837-86, S.D. 1:

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, S.B. No. 1837-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL USE OF BODIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1660-86, S.D. 1:

By unanimous consent, S.B. No. 1660-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAL RECORDS," was recommitted to the Committee on Health.

Senate Bill No. 2370-86, S.D. 2:

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, S.B. No. 2370-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL QUALITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1411, S.D. 1:

By unanimous consent, action on S.B. No. 1411, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 1986-86, S.D. 1:

By unanimous consent, S.B. No. 1986-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was recommitted to the Committee on Health.

Senate Bill No. 2295-86, S.D. 1:

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried,

S.B. No. 2295-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TORT ACTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 5:25 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:26 o'clock p.m.

Senate Bill No. 1657-86, S.D. 1:

By unanimous consent, S.B. No. 1657-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was recommitted to the Committee on Health.

Senate Bill No. 1846-86, S.D. 1:

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, S.B. No. 1846-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTAL DISABILITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2315-86, S.D. 1:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 2315-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SETTLEMENT OF CLAIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1681-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 1681-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DUTIES OF THE DIRECTOR OF PERSONNEL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Cobb).

Senate Bill No. 2051-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2051-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO APPEALS FROM SUSPENSIONS, DISMISSALS, AND DEMOTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 2052-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2052-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 2169-86, S.D. 1:

On motion by Senator Machida, seconded by Senator Abercrombie and carried, S.B. No. 2169-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 1510-86:

By unanimous consent, S.B. No. 1510-86, entitled: "A BILL FOR AN ACT RELATING TO BANKING," was recommitted to the Committee on Consumer Protection and Commerce.

## Senate Bill No. 1511-86, S.D. 1:

By unanimous consent, S.B. No. 1511-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE COMPANIES, FREEDOM OF CHOICE OF," was recommitted to the Committee on Consumer Protection and Commerce.

## Senate Bill No. 1514-86, S.D. 1:

By unanimous consent, action on S.B. No. 1514-86, S.D. 1, was deferred to the end of the calendar.

## Senate Bill No. 1517-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1517-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRUST COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 1518-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1518-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEBT COLLECTION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 1528-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1528-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 1530-86, S.D. 1:

By unanimous consent, S.B. No. 1530-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTORCYCLES," was recommitted to the Committee on Consumer Protection and Commerce.

## Senate Bill No. 1567-86, S.D. 1:

By unanimous consent, S.B. No. 1567-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PEST CONTROL OPERATORS," was recommitted to the Committee on Consumer Protection and Commerce.

## Senate Bill No. 1699-86:

By unanimous consent, S.B. No. 1699-86, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE REPAIR INDUSTRY," was recommitted to the Committee on Consumer Protection and Commerce.

## Senate Bill No. 2131-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2131-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAVINGS AND LOAN ASSOCIATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 2346-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2346-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

## Senate Bill No. 2350-86, S.D. 2:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2350-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE SALE OF GASOLINE," having been read throughout, passed Third Reading on the following

showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Fernandes Salling).

Senate Bill No. 2481-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2481-86, S.D. 1, 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.

Senate Bill No. 2518-86, S.D. 1:

By unanimous consent, action on S.B. No. 2518-86, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 1680-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1680-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Abercrombie and Hee).

Senate Bill No. 1682-86:

By unanimous consent, S.B. No. 1682-86, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL LOANS," was recommitted to the Committee on Economic Development.

Senate Bill No. 2352-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2352-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CERTAIN FOREIGN GOODS SOLD IN HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2185-86, S.D. 1:

By unanimous consent, S.B. No. 2185-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LEASES OF PUBLIC LANDS," was recommitted to the Committee on Economic Development.

Senate Bill No. 2319-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2319-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2320-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2320-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1795-86, S.D. 1:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, S.B. No. 1795-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE SALE OF REAL PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1937-86, S.D. 1:

By unanimous consent, S.B. No. 1937-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ZONING," was recommitted jointly to the Committee on Government Operations and the Committee on Housing and Community Development.

Stand. Com. Rep. No. 397-86 (S.B. No. 801, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 397-86 and S.B. No. 801, S.D. 2, was deferred to the end of the calendar.

House Bill No. 107, H.D. 2:

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, H.B. No. 107, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO STATE WARRANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1551-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1551-86, S.D. 1, 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.

Senate Bill No. 1569-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No.

1569-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEAUTY CULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1570-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1570-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BARBERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2310-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2310-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE COMPANY INSOLVENCY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1578-86, S.D. 1:

By unanimous consent, action on S.B. No. 1578-86, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 1661-86:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 1661-86, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE AND NEGLECT PREVENTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1662-86, S.D. 1:

By unanimous consent, S.B. No. 1662-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMICILIARY CARE," was recommitted to the Committee on Human Services.

Senate Bill No. 1663-86, S.D. 1:

By unanimous consent, S.B. No. 1663-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMICILIARY CARE," was recommitted to the Committee on Human Services.

Senate Bill No. 1716-86:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 1716-86, entitled: "A BILL FOR

AN ACT RELATING TO MEDICAL CARE PAYMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1658-86, S.D. 1:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 1658-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMICILIARY CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1763-86:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 1763-86, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC ASSISTANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1962-86:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 1962-86, entitled: "A BILL FOR AN ACT RELATING TO AND AUTHORIZING AN ADOPTION ASSISTANCE COMPACT AND PROCEDURES FOR INTERSTATE SERVICES PAYMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2126-86, S.D. 1:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 2126-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2173-86, S.D. 1:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 2173-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (George).

Senate Bill No. 2484-86:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 2484-86, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2130-86, S.D. 1:

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, S.B. No. 2130-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 415-86 (S.B. No. 425, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 415-86 was adopted and S.B. No. 425, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC OFFICERS AND EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 416-86 (S.B. No. 1961-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 416-86 was adopted and S.B. No. 1961-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 417-86 (S.B. No. 1960-86):

By unanimous consent, action on Stand. Com. Rep. No. 417-86 and S.B. No. 1960-86 was deferred to the end of the calendar.

Stand. Com. Rep. No. 418-86 (S.B. No. 2303-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 418-86 and S.B. No. 2303-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 419-86 (S.B. No. 1959-86, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 419-86 and S.B. No. 1959-86, S.D. 1, was deferred to the end of the calendar.

Stand. Com. Rep. No. 420-86 (S.B. No. 1884-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 420-86 and S.B. No. 1884-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 421-86 (S.B. No. 1885-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 421-86 and S.B. No. 1885-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 422-86 (S.B. No. 1886-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 422-86 and S.B. No. 1886-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 423-86 (S.B. No. 1965-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 423-86 and S.B. No. 1965-86, S.D. 2, was deferred to the end of the calendar.

Stand. Com. Rep. No. 424-86 (S.B. No. 1893-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 424-86 and S.B. No. 1893-86, S.D. 2, was deferred to the end of the calendar.

Senate Bill No. 2312-86, S.D. 1:

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, S.B. No. 2312-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 426-86 (S.B. No. 1843-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 426-86 was adopted and S.B. No. 1843-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 5:36 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:40 o'clock p.m.

Stand. Com. Rep. No. 427-86 (S.B. No. 1849-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 427-86 was adopted and S.B. No. 1849-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO GRANTS FOR DEVELOPMENT OF CHILD ABUSE AND NEGLECT PREVENTION PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 81, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 81, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MAINTENANCE OF DRAINAGEWAYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1573-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1573-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONSUMER AND SMALL BUSINESS ADVOCATE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 970, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 970, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2140-86, S.D. 1:

By unanimous consent, action on S.B. No. 2140-86, S.D. 1, was deferred to the end of the calendar.

Senate Bill No. 2145-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2145-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROTECTION OF

HAWAII'S UNIQUE NATIVE FLORA AND FAUNA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2358-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2358-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN HOME LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2359-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2359-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INDUSTRIAL DEVELOPMENT BONDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 5:42 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:49 o'clock p.m.

Senate Bill No. 974, S.D. 2:

By unanimous consent, action on S.B. No. 974, S.D. 2, was deferred to the end of the calendar.

#### MATTERS DEFERRED FROM EARLIER ON THE CALENDAR

Stand. Com. Rep. No. 263-86 (S.B. No. 2134-86):

Senator Yamasaki moved that Stand. Com. Rep. No. 263-86 be adopted and S.B. No. 2134-86, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Henderson rose to speak against the measure as follows:

"Mr. President, I would like to speak against this bill.

"Mr. President, I think that what we're doing here is to fund the state fund for workers' compensation and I surely don't believe that we're going to solve our workers' compensation problems by setting up an independent state fund.

"Our problem in workers' comp is one of frequency. When you look at the national

statistics, there's no question that Hawaii's frequency of total disability cases is extremely high ... for example, our permanent total disability figures for 100,000 workers, is about 142 accidents per 100,000 workers. The national average is 7.2. When you look at the benefits that we pay out to our Hawaii permanently totally disabled workers, the average per case is about \$58,000; nationally, it's about \$210,000. So what we see here in Hawaii, Mr. President, is a case where we have just an unbelievable frequency of workers' comp cases and relatively low benefits, and I think those are the issues we have to address.

"First, address those issues — the frequency question and the benefit question — before we get involved in a state fund.

"Thank you very much."

Senator Cobb also spoke against the measure and said:

"Mr. President, I'm going to vote against this measure for entirely different reasons. It is primarily because this does not contain a separate bill establishing how long the state fund will be in existence, whether or not it will have any drop-dead or specific life time, how it will be governed, or anything else. And I've been hearing around these hallowed halls that we're going to be putting off action on the total question of a state fund until next year until such time an interim report has been completed or additional information is gathered.

"When I see this, appropriating now \$1.00 to the fund, I begin to question then, what happened to the whole idea of waiting until next year before we take action on this, because I think if we're going to appropriate money for a fund we should also be providing the mechanism, the parameters in any limits on the bill, the very act itself, along with the money, rather than just giving money and in effect putting it in as a budget measure.

"Thank you."

Senator Kawasaki spoke in support of the measure as follows:

"Mr. President, I've got to admit that I don't really know the details of the fund and its operation but, basically, I understand from a lay perspective that one of the reasons why workers' comp cost is so great to the business, small business sector particularly, is that the rate of retention, that is to say what the insurance companies retain after they pay out their claims that they have to pay, after they pay for their administrative costs, what is retained is a little unconscionable. They're saying that the profit that they're trying to realize for themselves ... what is known as retention,

part of it is known as retention ... is too great. That is the reason for the premiums being so costly and almost prohibitive for the small businessman to exist. And this is the reason why if we can operate an almost nonprofit proposition with a state fund, keeping reasonable retention, then as a result we can bring down the premium cost to small businessmen who are burdened today with the high cost of maintaining business insurance. And this is the reason for the need of a state fund because private enterprise won't do it. The retention figure is too high. They get a little too greedy, in my judgment.

"That is the reason for this need to create a state fund. Much as I hate to see the government get into these kinds of operation, this comes as a necessity because the insurance industry simply will not bring down the premium rates at a level that small businessmen can afford. So I speak in favor of this bill."

Senator Abercrombie also spoke in support of the measure and remarked:

"Mr. President, speaking in favor briefly, I would remind the members that we have passed here today Senate Bill 2481-86, the Standing Committee Report is 387, relating to insurance. The original version that I put forward required the Insurance Commissioner to calculate investment income and the accuracy of loss reserves. That has not been retained in the bill that went over and the reason of course that I voted for it was that I want to see this bill kept alive, and if we are able to deal with this that concern that Senator Kawasaki has raised can be dealt with and we can perhaps handle some of these questions. In the meantime, I think this should go forward.

"If people are seriously interested in finding out exactly what the insurance companies are doing, I suggest that we go back to the language contained originally in my bill and that we calculate and require, as a matter of fact, the Insurance Commissioner to calculate the investment and the accuracy of the loss reserves, and then these questions can be answered."

Senator Yamasaki also spoke in support of the bill and said:

"Mr. President, speaking in favor of the bill. As you know, Act 296 was passed by the last session of the Legislature and signed into law. An interim committee was also appointed by both the President of the Senate and the Speaker of the House to see how we can implement Act 296. As a result we have had testimony received from the actuary for the program, and we should have a report of the actuary and also to see how much would be needed to fund the program, the workers' compensation state fund.



"Pending receipt of the recommendation, this bill merely appropriates \$1.00 to see what the figures might be to insert in the bill to establish a state fund so we can implement the provisions of Act 296.

"Therefore, I urge members of this body to vote for this bill."

Senator Soares spoke against and remarked:

"Mr. President, I rise to speak against this bill and briefly for a couple of reasons.

"The record of the state getting involved with funds such as this has not been very good at all, looking at the Kohala Task Force situation and also the Thrift Guarantee. We've batted zero on these, and I'm afraid that the cost to put this commission together and to set up the whole system is quite astronomical.

"Based on those comments, I'm going to be voting 'no.'"

The motion was put by the Chair and carried, Stand. Com. Rep. No. 263-86 was adopted and S.B. No. 2134-86, entitled: "A BILL FOR AN ACT RELATING TO AN APPROPRIATION FOR THE HAWAII WORKERS' COMPENSATION STATE FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Cobb, George, Henderson, McMurdo and Soares).

Senate Bill No. 310, S.D. 1:

Senator Cayetano moved that Senate Bill No. 310, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Toguchi.

Senator Abercrombie then asked for a ruling of conflict of interest of the Chair: "Mr. President, as you know, my checker cab is a reconstructed vehicle and I wonder if I may be allowed to vote on this bill."

The Chair ruled that Senator Abercrombie was not in conflict.

Senator Soares then asked if the chairman of the Transportation Committee would yield to a question and the President having posed the question and Senator Cayetano answering in the affirmative, Senator Soares asked:

"Mr. President, I'd like to have the committee chairman answer the question as to why the population of less than 500,000 is in this bill?"

Senator Cayetano then responded:

"I will attempt to do so, Mr. President. I'm afraid my explanation may be a bit lengthy, so if you will bear with me, Senator Soares.

"As you know, the state law covering reconstructed vehicles was passed in 1977. At that time I was the chairman of the Transportation Committee in the House and my recollection of the reason for the passing of the bill was because one of the plantations had a problem with one of their reconstructed commercial vehicles which was reconstructed on Oahu and transferred to Maui or one of the neighbor islands, and the problem being that the counties all had different ordinances covering reconstructed vehicles, and they could not use this vehicle which had been reconstructed on Oahu and conformed to the ordinance of the City and County of Honolulu but could not be used on Maui. So we passed the law which covered all reconstructed vehicles and was intended to deal with that particular problem.

"However, in resolving one problem and promoting uniformity throughout the state for the purpose of reconstructed commercial vehicles, brought under the umbrella of that law was the private or hot rod type of reconstructed vehicles.

"What has happened since, Mr. President, is that there has been a tremendous amount of controversy among the individuals who engage in this kind of activity. Mr. President, you are certainly of the age when you remember the model 1932 Channeled Fords and cars like that. Hot rodding was a big event in your day, began to wane in mine, but still it is an established and traditional American activity, perhaps unique to the United States.

"What has also happened, Mr. President, is that the people on Maui and their reconstructed or hot rod association there has approximately 700 members ... a number which was not lost by Senator Abercrombie and myself ... was opposed to the rules which apparently had been adopted by the state Department of Transportation and which were going to be applied statewide. Therefore, the neighbor islanders wanted the exemption and, if they were exempted, the county ordinances of Maui, Kauai and the Big Island would apply then to reconstructed vehicles. The people on Oahu, however, were in favor of the proposed regulations which were approved by the state Department of Transportation and therefore opted to stay under the umbrella of the state law.

"Consequently, we amended the bill to exempt from the definition of reconstructed vehicles those vehicles which are to be used for charitable and recreational purposes. We did not want to discourage people from

building cars from scratch, for example, and the proposed regulations which are going to be adopted by the state DOT impose all kinds of requirements, for example, regarding the certification of welds and all kinds of engineering requirements which, if enforced, will probably result in no vehicle ever being reconstructed in the State of Hawaii.

"The Committee, wanting to avoid passing a law which would promote conformity in this society, decided to amend the law to provide for some flexibility and to allow the neighbor island counties to regulate the reconstructed vehicles which are used for charitable and recreational purposes in their own way. That is the reason for the bill."

The motion was put by the Chair and carried and S.B. No. 310, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RECONSTRUCTED VEHICLES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Cobb, George and A. Kobayashi).

Senate Bill No. 2245-86, S.D., 1:

By unanimous consent, action on S.B. No. 2245-86, S.D. 1, was deferred to the evening calendar.

Stand. Com. Rep. No. 339-86 (S.B. No. 2318-86, S.D. 1):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 339-86 was adopted and S.B. No. 2318-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AN ASBESTOS SURVEY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (George, Henderson, A. Kobayashi, Matsuura and Soares).

Stand. Com. Rep. No. 340-86 (S.B. No. 2317-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 340-86 be adopted and S.B. No. 2317-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Soares rose to ask:

"Mr. President, I'd like to ask the chairman of Ways and Means a question on this bill, please."

The Chair asked if the chairman would yield to a question and Senator Yamasaki answered: "No."

Senator Soares continued:

"Mr. President, I heard him loud and clear; he said, 'no.'"

"I ask the question because, Mr. President, I'm speaking against the bill and I'm sure he must remember I asked the question in committee, so I won't do it again."

"The bill calls for funds for litigation expenses in the committee report. However, the bill itself, in reading the bill, Mr. President, on page 2 of the bill, it calls for salaries for attorneys and support personnel, rental of office space, purchase of office equipment, fees of expert witnesses, consultants, travel expenses, special deputies, consultant expenses, court reporting services, everything, except the kitchen sink. And it does not just deal primarily with court litigation .... travel expenses and staffing and everything else and in fact the account in which these suits will be dealt with, I understand, is also bankrupt. And so the amount of money we're calling for here is being far expended for things much more than just court litigation expenses, so my concern is the cost of this bill and I'm going to be voting 'no.'"

Senator Fernandes Salling spoke in support of the measure and remarked:

"Mr. President, I rise to speak in favor of this bill with these reservations which I would like to share with this body."

"When we heard this matter in committee, the committee chairman and the members agreed that we did need to get an evaluation of the possibility of our collection from the other asbestos companies to see how our chances of success will be in collecting from these companies. So we're not really just going after John Mansfield which is in bankruptcy, but we are trying to collect from some other companies."

"However, I think that what we need to watch for is the fact that this is just the first year's request, as was asked by the Attorney General — this \$325,000 to set up a litigation fund. They do expect to come in next year to ask for additional monies and this first year's request is indeed money to be used to hire attorneys, to in fact train them to deal with this kind of asbestos case and to pay for office expenses."

"Testimony was given that as far as expenses to do with the litigation itself, other states are looking at figures in the range of up to a million dollars. And so, I think, this is what we need to keep in mind when we look and request from the AG's office, a really good evaluation of what our chances are in succeeding in collecting from some of these companies that we're going to

try and locate as being liable for the asbestos that they have in our buildings throughout the State of Hawaii.

"I do know that the chairman has indicated that this is what we will be requesting from the AG and we'll be looking at and addressing in conference.

"Thank you."

Senator Matsuura spoke against the measure and said:

"Mr. President, I speak against this measure also.

"In following some of the tort bills, I found that in settling damages that people who have been personally injured get the first crack at the money. Property damages are awarded after the personal injury damage. And I was told that there's a personal injury damage litigation against some of these companies for an amount of over a trillion dollars. I really can't see how the state is going to be spending these kind of bucks for the next five years which amount to \$2 million. I really can't see how we're going to go about collecting when there are so many people ahead of us, especially those who have suffered personal injury.

"Another concern that I have is that when we start spending these kind of bucks, I think that it would be nice if we can have some of these people who are going to be involved in this kind of litigation to stay with us for the next five years, but seeing the coming and going of lawyers in the Attorney General's office I'm just worried that after a person gets well into the case, he may just leave and open up his own private office and pursue the same case on a personal interest. I really don't feel that we should be getting involved in this litigation, not unless we really know that we can collect if we win.

"Thank you."

Senator Henderson also spoke against the measure as follows:

"Mr. President, I'd like to speak against this measure.

"I think that I agree with Senator Fernandes Salling that we had, in committee, asked the Attorney General to do a thorough evaluation of the possibility of recovery before entering any court action. I'd like to emphasize that I think the first thing the Attorney General is going to have to do is to really evaluate what our chances are. There's no question this is a property damage claim; it comes behind the personal injury claims. The states of Virginia and Maryland have filed suits for

property damage recovery 18 months ago, so we're way late in filing that kind of suit in the first place. I think that the \$375,000 that is being appropriated here is just the start. It's going to be millions before we're through as this bill indicates. I think that we really need to evaluate what our chances are before we spend that kind of money."

Senator Cayetano supported the measure and remarked:

"Mr. President, I am very glad to see this bill before us, and also the previous bill, in dealing with the question of damage to property and to people by asbestos. Anyone who has heard the testimony of the asbestos victim, especially those who worked at Pearl Harbor, will have an idea of how serious this matter can be. It seems to me that it behooves us to look into this particular problem, and this is in reference to the previous bill, especially in terms of how it has affected people who have worked not only in this building but any other state building which has asbestos.

"I need only to search my memory very briefly to recall that there have been several Senate employees and House employees who have been stricken with cancer. We don't know what the cause was, but I note that several of them did work in the basement where we do have this particular problem.

"One of the concerns that I have about this particular bill is that it is my impression that this appropriation is being made for the Attorney General's office to handle the matter. I think that the cost to the state can probably be reduced dramatically if these cases in which the state is the plaintiff is farmed out to ... and I'm not going to try to drum up business for my own firm, believe me ... to some private firm which will take the case on a contingent basis.

"What has happened in the past whenever the state has been a plaintiff, and someone echoed the concern about one of the deputies walking off with the business at some time, is that we have given these kinds of cases to former deputies who have been working for the state on an hourly basis and who have racked up fees amounting to hundreds of thousands of dollars, as well as costs of which also have amounted to hundreds of thousands of dollars.

"This is a good case, I think, supporting the contingent fee, a matter which of course will be discussed in tort reform. The state can take advantage of the contingent fee by retaining private counsel. We all know how the contingent fee works. If the plaintiff wins, he then pays his attorney; if he doesn't, he doesn't owe the attorney a dime."

Senator Kawasaki then asked:

"Mr. President, I have a question directed to any member of the Ways and Means Committee since I was not privy to the dialogue that took place on this bill ... to members of the Ways and Means Committee or the chairman.

"Is it possible that with the present staff in the Attorney General's office, amounting to some 95 deputy attorney generals, with that kind of legal talent there, is it possible without the expenditure of this kind of money immediately that we can to a reasonable degree ascertain the chances of the state being able to collect any kind of damages? Could we do this with the existing staff without a major expenditure of funds to pay obscene fees to private attorneys?"

The Chair asked the chairman of the Ways and Means Committee if he would yield to the question and Senator Yamasaki answered:

"Yes, Mr. President.

"In answer to the question just raised by Senator Kawasaki, the testimony of the Attorney General's office did mention that there was an attorney who spoke to the Office of the Attorney General to see whether any kind of contingency fee contract could be made.

"The \$375,000 on the litigation fee is supposed to cover some of the concerns expressed by the attorney who said that he would need certain expenses to be paid during the course of taking up of the case for the state against the manufacturer of the asbestos, Johns-Mansfield Company.

"And although some of the members of this body have expressed some concern as to whether the state should proceed with the claim, as you know we have already expended over \$12 million. We expect to expend another two more million dollars to complete the removal of asbestos in the state buildings. It may run up to \$19 million or more, and that the sooner the state joins with the rest of the states in forming in line to make our claims, we may not have any claim whatsoever if we are too late. Therefore, the Attorney General's office is trying to recover some of the funds that have already been expended in the removal of asbestos in our state buildings.

"Therefore, I'd like to urge the members of this body to give serious consideration and vote for this bill because it means a lot of money that possibly could be recovered from the manufacturer."

Senator Kawasaki then continued:

"Mr. President, the chairman did not exactly answer my question, but inasmuch as he has stated that there is an attorney willing to take the legal counsel responsibility on a contingency basis, I feel that there is perhaps this possibility, and that means that if the state doesn't win we don't pay legal fees.

"I would speculate that with this huge manpower we have upstairs of 95 deputies that certainly we could at least do some initial assessment of what our chances of collecting for the state are. That being the case I will vote for this bill."

Senator George spoke against the measure and remarked:

"Mr. President, I speak against this measure. When it was heard in the Judiciary Committee some concern was expressed with the language of this bill as it then existed. It would permit legal action to be taken against the party or parties responsible for the presence of asbestos and asbestos contained materials in buildings owned by the state. This appeared to some of the members of that committee that this could include contractors, engineers and architects and firms who placed the asbestos in the buildings. I believe the wording could still possibly be interpreted in that way, and inasmuch as the state's specifications called for asbestos or fire retardant materials, I believe the state itself must have some of the responsibility. I'm concerned about the wording.

"In further comment to the matter of contingency fees, the testimony of the Attorney General before the Judiciary Committee indicated that they had turned down the attorney who was willing to take it on a contingency basis, not just because of the percentage that that attorney wanted, but because all of the expenses would still have to be borne by the state. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 340-86 was adopted and S.B. No. 2317-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ASBESTOS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Abercrombie, George, Henderson, A. Kobayashi, Matsuura and Soares).

Stand. Com. Rep. No. 347-86 (S.B. No. 1800-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 347-86 was adopted and S.B. No. 1800-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FIRE

COUNCIL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 360-86 (S.B. No. 1490-86, S.D. 2):

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, Stand. Com. Rep. No. 360-86 was adopted and S.B. No. 1490-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SMOKING IN PUBLIC PLACES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Fernandes Salling, Kawasaki and Soares).

Senate Bill No. 1411, S.D. 1:

Senator B. Kobayashi moved that S.B. No. 1411, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Machida.

Senator Soares then rose to ask if the chairman of the Committee on Health would yield to a question. The Chair posed the question and Senator B. Kobayashi having answered in the affirmative, Senator Soares asked:

"Mr. President, I'd like to ask the chairman whether or not the opportunity for good administrators, outstanding members of the business community who have a real knack for organization ability to administer a very difficult department, why this would not be a proper choice instead of a person who has a degree in medicine. Was that considered in the committee hearings?"

Senator B. Kobayashi answered:

"Mr. President, the question of the degree in medicine was considered and was considered that people in medicine may not have administrative capability, hence the bill was written so that the person holding the job could either have administrative experience or an academic degree."

Senator Soares then continued:

"The director shall be a person possessing qualification as evidenced by an academic degree in medicine, ... public health, ... or ... six years' in heading all health related fields. The bill, in my opinion is confined to a degree in medicine or medical health. Does the bill allow for anything else besides that?"

Senator B. Kobayashi responded:

"For the academic degree, it would be limited to those areas, yes."

Senator Soares thanked the chairman of the Health Committee.

Senator Kawasaki rose to speak against the measure and remarked:

"Mr. President, I rise to speak against this bill.

"Apparently, the prime movers of this bill are of the opinion that just as long as we have somebody who's had some education in the field of medicine that he's going to be a good administrator to run that huge department.

"Being one of the relics in this body for over two decades, I recall the days when we did have doctors with medical degrees heading the Health Department and looking back, I must say they did not quite rise to the expectations of the Senate in those years that we confirmed those people.

"It just seems to me that we need more of an administrator than a man educated in the medical field, someone with reasonable intelligence, intense public commitment to maintain the health standards of our citizens and their requirements, somebody who can administrate it well rather than have a medical degree. And I think this bill precludes the governor, the appointing authority, and us in the Senate body here confirming somebody who may be excellent as an administrator, excellent in terms of his imagination in realizing what the needs of our community are, and serving as a fine director of the Department of Public Health.

"It just appears to me that it may be a little difficult for us to find a practicing physician or someone in the medical field who's doing very well, professionally, with the kind of income that they can command who would be willing to take on the tremendous task of running that department at the kind of salaries department heads earn in this state government structure. So, I would say, let's keep the standards the way it is, but let us here in the Senate, all 25 of us, assume the responsibility of confirming only those people that we can judge to the best of our ability to be competent to head the department.

"The weakness has not been in the qualifications standards that we have, the weakness in the whole system is that the past governors have not been appointing the proper people, and more importantly, the Senate, the confirming body here, has not exercised diligence in making sure that that person who is appointed to that position is confirmed by us only if we in our judgment find that this is the best man we can find.

"I think the responsibility in the way that the Health Department has been running lies

more with our confirmation standards. We have been too cavalier about it all, and that has been, I think, the problem, so I would suggest that we maintain the law as it is but make sure that we confirm only those people we feel are excellent in qualifications. That's our problem. That has been the source of the department not running as smoothly and as efficiently as we desire it."

At 6:24 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:26 o'clock p.m.

The Chair, having requested the chairman of the Health Committee to recommit S.B. No. 1411, S.D. 1, ordered that S.B. No. 1411, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DIRECTOR OF HEALTH," be recommitted to the Committee on Health.

At this time, Senator Abercrombie rose on a point of personal privilege and said:

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

"Mr. President, before we start taking vote counts, I think the place to take them, if you want to take them, is in the caucus. And before you finish, and go take requests like this and go count on the floor right now and send people around to do it, the least you can do and the least any other Senator can do before they ask it is let the rest of us who are in favor of the bill at least make our arguments on the floor.

"We caucused on this bill. I bitterly resent having my bill taken off in the middle, and the rest of you after having a chance in the caucus come on the floor before we've had a chance to make our arguments on the floor and go take a count in the middle, because what that says is that the debate here on the floor doesn't count for anything.

"How do you know that maybe they wouldn't have changed their mind? I just changed my mind on a bill after listening to the arguments on the floor. And we struggled all afternoon waiting for people to come to our caucus, and we had five, six, seven, eight, nine people in there and nobody else in the rest of the caucus. Then you walk around with a little piece of paper and a little note and come and say, 'Are you up or are you down?' Why the hell do we even have a discussion out here, then? It's not fair. If you want it defeated out here then you defeat it down here and take a vote. And if you want to defeat it in the caucus, I'm for that. But, don't come out on the floor when you don't even come to the caucus, when we talk it over in the caucus

and say take it out here, and then in the middle before we even finish being able to make our arguments, come and recommit the bill.

"I resent the chairman of the Health Committee recommitting this bill before we're even finished making the arguments. And I resent it when Senators come around and start taking a count when they haven't even bothered to come to the caucus. It's not fair.

"Whether this bill goes up or down, the world will go on and the sun will come up, but the least you can do is extend the courtesy to people who want to make the arguments on the floor, and if you take it on to the floor and say vote it up or down on the floor then let the whole process take place. If we lose, we lose, but don't come right in the middle before the rest of us even had a chance to make an argument and go take a vote count on the floor. Take your vote count in the caucus."

Senate Bill No. 1514-86, S.D. 1:

Senator Cobb moved that S.B. No. 1514-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator B. Kobayashi.

Senator Kawasaki spoke against the measure and said:

"Mr. President, I rise to speak against this bill.

"I'm looking at the bottom, very last paragraph of the first page of the committee report, and it says here: 'By way of brief summary, the bill (1) deregulates, with one exception, commercial credit completely'. I have a question to address to the chairman of the Consumer Protection Committee. Does that mean that all ceilings that we have on loans by financial institutions, all ceilings on interest rates are completely removed?"

The Chair asked the chairman if he would yield to the question and Senator Cobb answered:

"Yes, Mr. President.

"Mr. President, it deregulates only commercial lending; it does not deregulate consumer lending. That is a primary difference.

"The existing law in Hawaii since the mid-1930's has deregulated all loans over \$750,000."

Senator Kawasaki continued:

"Could I get briefly the ceilings that today are extent on certain types of

consumer loans; for example, automobile loans, retail establishment loans, credit card loans, etc.?"

Senator Cobb answered:

"At the present time, in terms of a threshold, if that's the thrust of the question, there is no threshold. It's only if the loan is over the \$750,000 which has existed for some time.

"The provisions of this bill as it first came to the committee would have limited the threshold to \$25,000, or any loan over that amount would have been exempt from any usury ceiling. Your committee felt that a fairer threshold and one that was more comprehensive for the benefit of consumers would be \$100,000 and, accordingly, the amount was raised to that amount."

Senator Kawasaki continued:

"Mr. President, could I ask again then what would be the average rate of interest allowable to be charged by financial institutions on regular loans? People who go to loan companies to borrow to buy a refrigerator, if you will ... that simple, average type of loans for the simple, small average consumer ... what is the interest rate ceiling today that is the law?"

Senator Cobb answered:

"Mr. President, there's no change in this bill. The present rates depend on the type of lending institution. If it's under Chapter 478, the ceiling is 18%; the present rates range anywhere in practice due to competition from 8% to 15%. If it's an industrial loan company under Chapter 408, the present ceiling on interest rates is 24% and most industrial loans today are being made in the range of 15% to 19%, depending on the type of loan, the degree of competition, and what the prevailing rate is. This bill does not change that."

Senator Kawasaki then said: "Thank you, the chairman has answered my question."

The motion was put by the Chair and carried and S.B. No. 1514-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTEREST AND USURY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Abercrombie, Fernandes Salling, Hee and Kawasaki). Excused, 1 (Henderson).

At 6:32 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:36 o'clock p.m.

Senate Bill No. 2518-86, S.D. 1:

Senator Cobb moved that S.B. No. 2518-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator B. Kobayashi.

Senator Kawasaki rose to speak against the measure and said:

"Mr. President, I rise to speak against this bill.

"I am a little at loss to find out why we are requiring some 23,000 licensees, that includes licensed real estate salesmen and brokers who provide by their fees, the biennial fees, a tremendous amount of money that's in a fund known as the recovery fund, to require just this category of licensees to take eight to ten hours of instruction every year, and keep in mind that we do not specify what kind of instruction they should take. Ostensibly, it's so that they could keep up with the latest changes in our real estate laws, not that the real estate laws change that often.

"I suppose there's a requirement in the judgment of some people that because condominium laws are changed quite often around here that they should be required to take this 8- to 10-hour course every year; otherwise, when they pay their license renewal fees at the end of two years, we say since you did not take this course, which we do not specify, mind you, that we're going to remove your license.

"We do not require this of stockbrokers, people who are stock salesmen; we don't require this of insurance salesmen, and some other solicitors in this category, so now why do we require of these people this requirement that they take at least 8 hours of additional education for their profession.

"I have found, after having had my license since 1952 which is quite inactive, quite frankly, that the problem in the real estate business and the problem confronting consumers' purchases and sales of real estate is not so much because the licensee, the broker or the salesman, does not have an education with regard to the latest changes that are brought about statutorily. The problem lies in the basic, inherent character of the person who is the licensee, and ever so often consumers are hurt because of the character ... this man is dishonest; he participates in fraudulent transactions; he co-mixes, co-mingles ... the term is co-mingles ... his client's funds with his own private funds ... these kinds of things that reflect basically the shortcoming in the character or the sense of morality of a licensee, not because he hasn't kept up with the latest condominium laws that we've changed around here.

"So I think this law being imposed in this fashion is quite unfair. If we're going to do this, we better require that all licensees of all kinds of professions take educational courses for a specified number of hours every year before we allow them to renew their license after paying their license fees.

"For that reason, I speak against the passage of this bill. I would say that because of funds, the recovery fund that I speak of that's made up of all the fees that they pay annually which amounts to a huge amount of money today, we have enough funds in the regulatory agencies so that any changes that are brought about statutorily or otherwise, these changes be printed and disseminated to the 23,000 licensee. We have the financial resources to do that and we expect voluntarily, that these licensees keep up with the latest laws so that when they transact business for their clients, their clients would not be damaged because they don't know the latest changes. We require this because the regulatory agencies took the initiative to disseminate information which we think is important enough for them to know. We should not require mandating that they take additional courses, which as I said are not specified here, and say that if you don't take these courses, we'll take your license away. Then, do this for every profession. Then I suppose I could support this bill; otherwise, I think this bill is an onerous one. It's unfair; it's very exclusive to one category of licensees. I don't think this is fair."

Senator Cobb then remarked:

"Mr. President, I have no argument with the statement made about the character of licensees. However, the research of the Real Estate Commission are in favor of this particular measure. It points out very clearly that licensees who have taken commission sponsored seminars have far fewer complaints lodged against them than those licensees who have not participated in any such course.

"In addition, those individuals who have had their licenses for a longer period of time have proportionally had more complaints lodged against them than those who have been recently awarded a license.

"I would also point out, Mr. President, that the bill was amended to delete the minimum 8- to 10-hour requirement and specify that the requirement shall be developed by the Real Estate Commission. Testimony by that commission indicated that the course would last approximately 2 to 4 hours. And if this is going to be done on an experimental basis, page 2 of the bill specifies that the 'act will take effect as of January 1, 1991 and shall be repealed as of July 1, 1996.' So there will be a five-year experimental period to see how this works.

"In addition, Mr. President, I would dispute the fact that no other profession has continuing education requirements. Accountants, for instance, have 80 hours required every two years. Chiropractic examiners have a requirement of 10 hours per year. Those in the profession of optometry are required to take 16 hours every two years. Medical physicians, of course, have 60 hours a year; a podiatrist, 50 hours a year; medical physician assistants, 50 hours a year; and those involved in the field of medical emergencies, 50 hours per year, all continuing education requirements.

"In addition, Mr. President, this bill is designed to address the shortcoming that has been found, particularly when we have a major change in the agency portion of the real estate law that was passed last year and is going into effect next year which will require the full disclosure by the realtor of any agency relationship or representation of more than one client. The failure to disclose that information could be detrimental to the consumer who is a purchaser.

"Therefore, Mr. President, I think there are very compelling reasons to support this and it's being done on a sunset basis so that when the measure is passed there will be plenty of advance notice of it going into effect. It will be in effect for a five-year period to see how it works, and then there would be a further legislative review. Thank you."

Senator Kawasaki then continued:

"Mr. President, a question directed to the chairman of the Consumer Protection Committee.

"Then, are we going to anticipate a similar requirement for stockbrokers, stock salesmen, insurance solicitors?

"Secondly, second part of the question, is it not possible for the Real Estate Licensing Commission to disseminate any information, as I said, that's important and pertinent to any changes we have made that the commission send out this information to each licensee and require and expect that the licensee will be keeping up to date with these changes so that in the event that he does do something in the course of pursuing his profession that damages the interest of the client that we hold him accountable for having not studied information we disseminated from the licensing commission ... is this possible?"

Senator Cobb answered:

"Mr. President, to answer the questions in reverse order. As I understand it, the commission already puts out a form of



newspaper or a bulletin, I have received copies of it periodically, updating people in real state, those who hold licenses as well as those interested in the profession, of various changes that have taken place, particularly during the legislative session.

"Despite that and despite the courses that are being offered, the number of complaints continues to rise as I cited earlier in my remarks.

"Secondly, addressing the question of stockholders and insurance people. Those who deal in stocks already have a number of SEC requirements to stay abreast of the latest changes in law. Whether that involves formal continuing ed I am not yet sure but I know when we had the question on involving investment advisors. The department is moving in the direction of repealing any exemptions for investment advisors unless they have a SEC seven-level securities license and that requires a continual updating by education.

"As far as insurance people go, those who have the CPU or other designations do have a continuing ed requirement and those in other categories of insurance, if they don't, that's something the committee will be looking at in the future. Thank you."

Senator Cayetano then asked if the chairman would yield to a question. The Chair posed the question and Senator Cobb having answered in the affirmative, Senator Cayetano asked:

"Mr. President, the chairman recited a list of professions which are required apparently to have some kind of continuing education. I wonder if the chairman would tell us how many of those professions are required to engage in continuing education because of a legislative fiat; in other words, we passed the law requiring them to do so."

Senator Cobb answered:

"I believe, in the case of accounting, they have the continuing ed requirement based on statute that we passed four or five year ago. Optometry was something that came as a board recommendation through the Department of Commerce and Consumer Affairs. Chiropractic examiners in one of the sunset reviews had insisted on continuing education and the Legislature agreed with them. In most of the medical areas, that has been primarily the thrust of either the Board of Medical Examiners or the Hawaii Medical Association."

Senator Cayetano then spoke against the measure as follows:

"Mr. President, I speak against this bill.

"The litany of professions recited by the

chairman which are required to engage in continuing education, having been a member of the Consumer Protection Committee for a few years and being a member of this Legislature for 12 years, have come about primarily because of a concern, I guess, on the part of legislators and I think the chairman himself is particularly zealous in this area, of having these requirements imposed because of problems which the Legislature apparently perceives afflicting these professions.

"When you talk about podiatrists or chiropractors, those requirements for continuing education, in my recollection, did not come about because of the boards but because of pressure from the Legislature to obtain some kind of accountability for the problems which we saw afflicting those areas. It seems to me that real estate brokers are in a totally different category.

"I'm also opposed to this bill because I think it's another infringement of government in the professions and we should let these professions police themselves. Certainly, the cost, for example, of malpractice insurance, even among real estate brokers, should be an incentive for real estate brokers or anyone else engaged in that kind of business to keep oneself apprised of changes in the law.

"Now the change in the agency law mentioned by the chairman seems to me should not be something that is entirely new to real estate brokers. It sounds very much like something that was established in our Common Law and it sounds like it was merely codified into our Hawaii Revised Statutes.

"So it doesn't appear to me, anyway, that it was something that is new to real estate brokers and certainly I think that in their training they should have been aware of what the chairman was referring to, in terms of the change in the agency law."

Senator Kawasaki then added:

"Mr. President, my final response.

"As I stated, the gist of my argument here is that the injury incurred by the consumer, the guy who buys or sells real estate, is primarily caused by a basic lack of or defect in the character, the sense of morality, the sense of ethics, the sense of propriety by the petitioner, the licensee. It's not because he's not knowledgeable about the latest changes.

"Now the chairman of the Consumer Protection Committee alluded to the fact that in the medical profession doctors are required to take 60 hours of additional training annually. That being the case, then we still have ... I'm little at loss on why we

have such a large number of cases of malpractice by these people who are required to take 60 additional hours of training every year. In fact, malpractice incidents are so high that's the reason why insurance companies charge so much for their malpractice premiums and this is the problem that we're trying to address.

"Why do we have attorneys who are taken before the bar, again, for unethical conduct. This is not because of lack of education, lack of information. A basic defect is in the sense of propriety on the part of practitioners. So this is the problem. I say, let's address that. If we find people who are injuring real estate clients because of defect in character, then let's punish them very adequately ... remove their licenses, if necessary ... put them on probation for long periods of time. That is the way to get to this problem of injury to clients, not mandated, statutorily mandated additional cost that, as I said, is not even specified here. We don't know what we want them to take up every year for even two hours. That to me is a problem.

"Let's get to the basic problem, the inherent defect in the character of the practitioners, not because they are not up to date on the very latest condominium changes we've made around here."

At 6:51 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:58 o'clock p.m.

Senator Toguchi also rose to ask if the chairman of the Consumer Protection Committee would yield to a question. The Chair posed the question and Senator Cobb having answered in the affirmative, Senator Toguchi asked:

"Mr. President, my first question is, does this amendment cover active as well as inactive licenses?"

Senator Cobb answered:

"The way the bill is presently worded, it does not make a distinction. It's my understanding that the proponents of the bill want to amend it in the House to include only active licenses and provide that inactive licenses would not be covered unless they chose to activate their license."

Senator Toguchi continued:

"Mr. President, if that is the case, I rise to speak against the bill.

"Mr. President, I think the original intent as explained by the chair was that he wanted it to cover just active licenses, but the way the bill is now constructed it will

cover active as well as inactive. I think it would make more sense if the bill had made a distinction between active and inactive licenses where, in order for someone who holds an inactive license to activate that license then that person would be required to take a course at the time of the reactivation and it may include not two to four hours, it might include 15 hours or whatever it takes. And I think that's the way the bill should have been brought out on the floor. And for that reason, Mr. President, I will be voting against the bill.

"Thank you."

The President ordered that S.B. No. 2518-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE BROKERS AND SALESMEN," be recommitted to the Committee on Consumer Protection and Commerce.

Stand. Com. Rep. No. 397-86 (S.B. No. 801, S.D. 2):

Senator Young moved that Stand. Com. Rep. No. 397-86 be adopted and S.B. No. 801, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Hee.

Senator Soares rose to speak against the measure and remarked:

"Mr. President, I rise with some reluctance to speak against this bill. I am reluctant for two reasons. First, this bill represents two years of effort which could be said to involve blood, sweat and tears. It is a shame that this bill and time may have been wasted. Second, I know the hopes of thousands of lessees in both single-family and multi-family homes have been riding on the promise of this bill, but the promise is not fulfilled.

"This bill is like a little girl, Mr. President, when she is good, she was very, very good, and when she's bad, she's horrible.

"It contains two commendable, if not noble, major points, Mr. President. One provides a new formula for the Hawaii Lease Rent Renegotiation Relief Act of 1975, and it is a good and very fair formula. The other is an imaginative innovation which would, if correctly applied, spell the eventual end of the medieval leasehold land tenure system, by requiring that all new leases include a clause providing the option to buy the leased fee interest. So far, so good.

"Unfortunately, these provisions are applied in an extremely inequitable fashion. The lessor is compensated for the relief given to the lessees who choose to, or must, remain lessees, by increasing the price of

the leased fee interest to the lessees who wish to buy. It makes some lessees, all of whom have paid for their houses, give the house to the lessors at the end of the lease while others are repaid for it.

"Mr. President, we should not hesitate to provide relief to the thousands of lessee homeowners in this state from the outrageous lease rents being charged under the present formulas without seeking some compensating offset for the lessors. This is like requiring the homeowner to compensate the burglar who hurt himself while breaking into the house.

"Mr. President, the bill endangers the lessees who are going to court to obtain the leased fee interest in the land under their homes, by unnecessarily injecting the new formula into the Land Reform Act instead of the Lease Rent Renegotiation Relief Act where it really belongs.

"Mr. President, instead of repealing the old formulas, the bill 'suspends' them, just in case the new one is found 'unconstitutional.' Is this precaution really necessary? Much more onerous rent control laws have been found constitutional all over the country. Mr. President, in any case, the retention of these formulas on the books may rebound to the detriment of the lessees who are trying to buy the leased fee interest in the land under their homes. These are the formulas that caused the twenty-fold jumps in renegotiated lease rent that stimulated this bill, and the court could still apply them if they are not repealed.

"Mr. President, this bill applies to co-op apartments but does not to condominiums. What the contracting arrangements between the structure owners has to do with whether or not they get the benefits of this bill escapes me. What is being leased in all of these dwellings, including single-family, is not the structure, but the land under them. And, the leases are fully fundamentally similar. They are long term. They provide for initially fixed rent followed by 'renegotiated' rent, and finally reversion of the land at the end of the lease. There appears to be no good reason for not including condominiums.

"And, there is a very good reason to include condominiums. All condominiums are not high rises. One of the big landlords has recently placed two typical single-family home tracts on the market as leaseholds. But, they are organized as condominiums, and as written, neither the lease rent or option-to-buy provisions of this bill will apply to these developments or others like them in the future. A larger loophole has never existed.

"Mr. President, this bill should have faced up to the problem squarely and redressed

the imbalance of bargaining power at the so-called 'renegotiation' point in residential leaseholds. The formula it proposes will do this if it is not ringed around by inequitable exceptions and qualifications.

"Therefore, Mr. President, I speak against this bill, not so much for the idea of convincing this body it should defeat it, but in the hope that I have sent a signal to our colleagues in the House that this basically sound piece of legislation has some serious inequities in it which they should address, or by sending it back and give us a chance to fix it.

"Mr. President, I have a lot of respect for the committee and the chairman who has worked so hard on these bills, and I'm very, very convinced that 'you're damned if you do, damned if you don't,' and trying to please everybody is always going to be a problem. I hope that we have an opportunity with the House to correct the problems that I have illustrated earlier on this bill.

"Thank you."

Senator Young spoke in support of the measure as follows:

"Mr. President, I rise to speak in support of Senate Bill No. 801, Senate Draft 2.

"Mr. President, this bill represents a culmination of the Senate Housing Committee's efforts over the past three years. The new lease rent control formula contained in the bill shall produce the very low lease rents which leasees define as 'affordable.'

"I would like to respond to Senator Soares' question on why condominiums were not included. Condominiums have different problems. We have found that many condominiums go under timesharing and under various lease rents. Sometimes a developer buys a condominium and gets a low lease rent. A few weeks ago, I introduced a resolution to look into the condominium problem, and we certainly are going to look into the condominium problem.

"The one principle that has guided me, Mr. President, during this tremendously long ordeal is fairness. There are certain lessees, in particular certain fixed-income retirees, who need legislative assistance. They cannot afford to purchase the fee titles and will remain lessees. For them, relief from unaffordable lease rents is all they ask.

"Then there are those lessees who are less concerned with lease rent control but view it as a legislative means to obtain low prices for their land. They are the ones who oppose an unlinking of lease rent control and

fee conversion values. As one lessee pointed out during last week's public hearing on this measure, the new lease rent control formula, without the unlinking, could reduce the land value under condemnation by 50 percent.

"This bill provides rent control for existing leases of residential lots and co-ops. Future leases are not provided rent control; instead, they will contain a mandatory fee purchase option. The bill establishes a lease structure for all new leases of residential lots and co-ops under which lessees and lessors can negotiate, within an open market, such items as purchase prices and option periods before the signing of the contract. It is important that all parties understand the benefits and drawbacks of leasehold tenure. The leasehold system has provided affordable housing to those who could not afford fee tenure. However, it also involves renegotiation dates when the lease rents will escalate and expiration dates when the property must be returned to the lessor. The committee report stresses the importance of lessee awareness and understanding of lease contract provisions because the Legislature cannot continually amend the 'rules of the game.'

"The bill further provides that existing leases which are protected under the lease rent control formula will not be entitled to automatic thirty-year lease extensions or lessor compensation of on-site improvements. The Hawaii Leaseholders Equity Coalition stated its opposition to this provision on KHVH News Radio this morning. It claims the bill takes away a right of the lessee. I argue that lessees signed contracts which provided use of the land for a finite period. At the end of the lease, the property is returned to the landowner. In spite of the provisions of their contract, certain lessees believe the Legislature should also ensure them of lease extensions.

"Other residents of our state sign contracts everyday. They may not be happy with the terms they agreed to in mortgage documents or employment contracts but they realize they must abide by contract terms. They do not seek legislative assistance to break or amend the terms of the contract in order to obtain a favorable deal.

"Over these past three years, committee members have patiently listened and considered all positions on this issue no matter how polarized. The bill presently before this honorable body represents the fairest balance among the myriad of positions. This is, granted, an extremely complex issue that is emotionally charged. However, in the end the fairness you feel in your heart is what must guide everyone of

you — it is what has guided me.

"Thank you for your patience."

Senator Kawasaki then rose to speak against the measure and said:

"Mr. President, I rise to speak against this bill.

"Mr. President, I realize the dilemma that confronted the chairman of the Housing Committee and I must commend her for the diligence she has demonstrated in trying to, to use her words, 'come to a reasonable compromise.'

"My primary concern about the passage of this bill is that I am concerned about the constitutionality of a proposition passed by us made into statute that goes counter to the basic inherent provision in the Constitution of the United States private property rights — the right of an individual property owner to do what he wants to do with his own property.

"Rent control as such was justified during the emergency housing era in World War II. But I don't think the present dilemma that the lessees find themselves in is comparable to this emergency legislation frame of reference that some people use in advocating that statutorily we set out a formula as to what private property owners should charge in the way of rents for their properties. This is basically a violation of the constitutional provision of private property rights.

"The problem arises primarily because years ago, decades ago, Bishop Estate leased out their properties at very reasonable lease rent. As a matter of fact, lot of the people, the very same people who are complaining today about the fact that lease rents are going up and I feel for them because it's gone up dramatically in comparison to what it was the years that they first had it — 30, 35, 20, 25 years ago. Those lease rents were very cheap, and they patted themselves on the back for having acquired lease rents in very desirable areas of the state. The trustees of Bishop Estate, however, were confronted with the problem of the masters of the court, the masters of the court that examined the operation of Bishop Estate, it being a nonprofit entity and the beneficiaries being children of Hawaiian ancestry, Kam School, etc., they were confronted with the problem of the masters of the court being very critical about the fact the trustees were negligent in getting the maximum rental income possible for this public trust, Bishop Estate.

"In essence, the masters of the court had said, 'you people who are the trustees of Bishop Estate are not bringing in the rental income that you could bring to this trust

considering present rental market conditions; that your leases in your rents are so cheap that you are selling short the beneficiaries of this estate; you could bring in much better revenue if you were to charge lease rents that is what is prevailing in the market.' So the trustees, not wanting to be derelict in their trust, said, all right, they instructed their staff to work out formulas that were somewhat reasonable. And they realized there's a great change now because now they've got to charge what is nominally the market lease rents that are chargeable. Otherwise, they would again be criticized by the masters of the court that overlook their operations.

"And so they are charging lease rents which are today market lease rents. And they are trying in their best manner to uphold their trust as highly paid trustees of the Bishop Estate entity. Of course, this works a hardship on these people who have had in the past very cheap lease rents. It was great during those 20, 25, 30 years of cheap rent but now that they've got to pay rent comparable to what the market lease rents are they are in this dilemma — a dramatic increase in the rental charges now contemplated in the renegotiation period. So this is the dilemma.

"However, our passing a law to try to answer the problem, I think, will not answer it, simply because, as I said, there's going to be a constitutional test brought about and I in my lay fashion am afraid that this statute will not pass a constitutional test. And we would have the high hopes of lessees dashed to the ground when this judgment comes from the court. For this reason I speak against passage of this bill."

Senator Cobb spoke in support of the bill as follows:

"Mr. President, I rise to speak in favor of this measure, and in doing so I make two observations. One, rent control statutes have been upheld throughout the nation by the Supreme Court of the United States not only during time of war or national emergency or depression but even in ordinary economic times. Those court decisions date all the way from the 1930's to the 1970's. Two, if you look at the plight of the lessees, and while I think there are some portions in this bill that I would have reservations about, I think it's a step forward for lessees, particularly those on fixed income because the amount of lease rents being charged by some of the large estates are the most usurious I have ever seen — lease rents of \$6,000 to \$12,000 per year. These are not homes in Kahala. These are homes, the selling price of which would be approximately \$100,000 to \$135,000. These are homes with 8,000 square foot lots. These are homes where people could not afford to live in their own

house if they had to pay that kind of lease rent. They would, in effect, be driven out of it. They couldn't even afford to sell it because no buyer would be willing to come in and pay \$6,000 to \$12,000 a year lease rent.

"I have seen in writing the correspondence of the offer of renegotiation which sets out those levels of rent. I think this matter is sorely needed and I'm not worried about a court test because I have seen court cases involving the very question of rent control sustained at the highest court levels.

"I urge the members' support. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 397-86 was adopted and S.B. No. 801, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Kawasaki and Soares). Excused, 1 (Henderson).

At 7:18 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 7:25 o'clock p.m.

Senate Bill No. 1578-86, S.D. 1:

At this time, Senator Cobb requested that S.B. No. 1578-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," be recommitted to the Committee on Consumer Protection and Commerce and the President, noting that there were no objections, so ordered.

Stand. Com. Rep. No. 417-86 (S.B. No. 1960-86):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 417-86 was adopted and S.B. No. 1960-86, entitled: "A BILL FOR AN ACT RELATING TO THE REDEVELOPMENT OF THE ALOHA TOWER COMPLEX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Henderson).

Stand. Com. Rep. No. 418-86 (S.B. No. 2303-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 418-86 and S.B. No. 2303-86, S.D. 2, was deferred to the evening calendar.

Stand. Com. Rep. No. 419-86 (S.B. No. 1959-86, S.D. 1):

By unanimous consent, action on Stand. Com. Rep. No. 419-86 and S.B. No. 1959-86, S.D. 1, was deferred to the evening calendar.

Stand. Com. Rep. No. 420-86 (S.B. No. 1884-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 420-86 and S.B. No. 1884-86, S.D. 2, was deferred to the evening calendar.

Stand. Com. Rep. No. 421-86 (S.B. No. 1885-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 421-86 and S.B. No. 1885-86, S.D. 2, was deferred to the evening calendar.

Stand. Com. Rep. No. 422-86 (S.B. No. 1886-86, S.D. 2):

By unanimous consent, action on Stand. Com. Rep. No. 422-86 and S.B. No. 1886-86, S.D. 2, was deferred to the evening calendar.

Stand. Com. Rep. No. 423-86 (S.B. No. 1965-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 423-86 was adopted and S.B. No. 1965-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Henderson).

Stand. Com. Rep. No. 424-86 (S.B. No. 1893-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 424-86 was adopted and S.B. No. 1893-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FOREIGN BANKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (George and Soares). Excused, 1 (Henderson).

Senate Bill No. 2140-86, S.D. 1:

Senator Aki moved that S.B. No. 2140-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Kawasaki rose to speak against the measure as follows:

"Mr. President, I rise to speak against passage of this bill.

"As I understand it, the present law allows the construction or the use of agricultural land, and particularly marginal agricultural lands, for golf courses on the grounds that open spaces add to the aesthetics of our city and it also allows driving ranges.

"This bill purports to delete that allowance of driving ranges.

"It just seems to me, in terms of the total use of the land, that's marginal agricultural lands, driving ranges actually use up a lot less acreage. Further, I think rather than to leave some of these marginal lands idle, to allow them to use the land as driving ranges brings in revenue to the state in the way of gross income taxes that operators of driving ranges have to pay. And further, while I'm not golfer, I understand from golfers that there is a shortage of driving ranges here in this city, particularly, and it just seems to me leaving the law as it is today, allowing the use of these agricultural lands for either golf courses or driving ranges is perfectly acceptable.

"I would hate to change the law so that driving ranges that are needed by golfers, driving ranges that bring in tax revenue rather than to keep land fallow without any use at all while it's waiting some future agricultural use, I think permitting the present use is the most sensible approach. For that reason I speak against passage of this bill."

The motion was put by the Chair and carried and S.B. No. 2140-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Kawasaki and McMurdo). Excused, 1 (Henderson).

Senate Bill No. 974, S.D. 2:

By unanimous consent, action on S.B. No. 974, S.D. 2, was deferred to the evening calendar.

At 7:30 o'clock p.m., on motion by Senator Cobb, seconded by Senator Soares and carried, the Senate stood in recess until 8:30 o'clock p.m. or subject to the call of the Chair.

#### EVENING SESSION

The Senate reconvened at 10:00 o'clock p.m.

#### ORDER OF THE DAY

#### MATTERS DEFERRED FROM THE AFTERNOON CALENDAR

#### THIRD READING

Senate Bill No. 2245-86, S.D. 1:

By unanimous consent, S.B. No. 2245-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WATER SPORTS," was recommitted to the Committee on Tourism and Recreation.

Stand. Com. Rep. No. 418-86 (S.B. No. 2303-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 418-86 was adopted and S.B. No. 2303-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A TOURISM IMPACT MANAGEMENT STATEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (George, Henderson and Soares).

Stand. Com. Rep. No. 419-86 (S.B. No. 1959-86, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 419-86 and S.B. No. 1959-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE TOURISM TRAINING COUNCIL," were recommitted to the Committee on Ways and Means.

Stand. Com. Rep. No. 420-86 (S.B. No. 1884-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 420-86 was adopted and S.B. No. 1884-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII CONVENTION CENTER COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 421-86 (S.B. No. 1885-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 421-86 be adopted and S.B. No. 1885-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Abercrombie spoke for the measure and said:

"Mr. President, just for purposes of the record, for this bill and the other bills on the convention center and the rest of it, I hope those who are observing and reporting the events of this will not mislead the public nor misconstrue the votes that are being held tonight.

"These matters are very, very serious.

They have to do with the revenues that may accrue to the state as well as the economic and social interests of this state, and the discussion on these areas needs to proceed apace in the Legislature. So the votes tonight are to keep that discussion alive without making commitments that necessarily exist word for word in these bills."

Senator Kuroda also spoke in support of the measure and remarked:

"Mr. President, I'm speaking in support of the measure.

"For the record, the Legislature will decide on the selection of the convention center site."

Senator Chang then stated: "Mr. President, that addresses my concerns."

Senator Soares then asked if the chairman of the Committee on Tourism would yield to a question. The Chair posed the question and Senator Kuroda, having answered in the affirmative, Senator Soares asked:

"Mr. President, how will the selection of the site be made? I understand that a comment was made that it would be settled by the Legislature."

Senator Kuroda answered:

"Mr. President, I am not too clear as to what question is being asked."

Senator Soares inquired:

"When will we be able to select the site? First of all, how will we do that?"

Senator Kuroda answered:

"Mr. President, the bill previous to this which was passed by the Senate establishes a convention center commission. The commission is expected to make a recommendation and then the Legislature will make a decision."

Senator Soares continued:

"Am I to understand that the commission will make a recommendation to us, and we will decide where the site will be?"

Senator Kuroda answered:

"Mr. President, that is affirmative."

Senator Soares thanked the chairman.

Senator McMurdo then rose for a clarification and said:

"Mr. President, I would like a clarification on that from the chairman of the

committee. It is my understanding that the site selection would be made by the Legislature after some studies and assessments were made. This has been my concern. It remains my concern. I'm perfectly willing to go up on these bills but I think there are questions. Somewhere we have a little problem here, which I think needs to be handled."

Senator Kuroda answered:

"Yes, Mr. President, I understand the concern of the previous Senator's line of questioning.

"The commission as a body will recommend a site. The Legislature is not obligated to act affirmatively on that site. The Legislature will take into consideration all sites irregardless of the commission's recommendation or any single person's recommendation."

Senator Henderson then inquired:

"Mr. President, where in the commission bill is that stated as far as the recommendations of the site? Whereabouts in the bill is that stated?"

Senator Kuroda answered:

"Mr. President, I take it that the Senator is asking a question with regards to the bill that we just passed on the commission.

"There is no statement in that bill that says that the Legislature will take action on the recommendation of the commission. There is no statement, so the Legislature is the final body, the policy making body which will make the decision."

Senator Henderson continued:

"So, Mr. President, I ask again. I will repeat Senator Soares' question.

"How do you make a decision and what process do we go through to make a decision on the site selection?"

At 10:07 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

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

Senator McMurdo then rose to state:

"Mr. President, I would like to reiterate that if I have the assurance that this will be solved in conference committee and that there will be some mechanism for choosing a site, not just arbitrarily by the commission, but some criteria, then I can vote up on all three of these bills. But, I've been fighting this from the time we started. We still have not answered a basic

question — how are you going to choose the site. Not just who is going to choose it, but how. And I think this is a very, very critical question. I do want the record to show that I have made this request that this happen during the conference. Thank you very much."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 421-86 was adopted and S.B. No. 1885-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A CONVENTION CENTER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 422-86 (S.B. No. 1886-86, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 422-86 be adopted and S.B. No. 1886-86, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Mizuguchi.

Senator Soares spoke in support of the measure and remarked:

"I'm voting on this bill, Mr. President, but I'm rather concerned that the amount of tax from 4 to 8, rather than the 2 that we talked about earlier, is going to be rather difficult to swallow by the industry, but I'm sure that in conference we will be able to work out some very reasonable conclusions on the bill. I'm going to vote for it."

Senator Henderson also spoke in support of the measure and remarked:

"Mr. President, I support the bill, but I think that we are not addressing the problems of the four counties of the State of Hawaii. I think that with regard to raising the transient accommodations tax from 2 percent to 4 percent ... I really feel that we ought to put 2 percent in the fund for the convention center and the HVB and I think we ought to put 1 percent into the general fund.

"I think we ought to refund 1 percent back to the counties because with tourism, the counties are impacted with unbelievable kinds of costs, be it police protection or be it infrastructure. They incur a lot of costs and I think that revenues from the hotel room tax are properly given to the counties to help them accommodate those costs.

"I'd like to say that when it comes to the allocation of those costs, I firmly believe that 1 percent should be allocated to all four counties. And I firmly believe that maybe the allocation, Mr. President, should be made on the basis of the assessed values of the hotel and resort properties times the county property tax rate so that we have



some input into the allocation as to how much effort is being made by the various counties to solve their own revenue problems.

"I think an allocation based on assessed value of resort property times the county tax rate and then allocated that way would be proper. It gives some substance to the effort the counties are making. As you remember, Mr. President, the grant-in-aid sharing formula allowed for local tax effort in that calculation.

"Thank you very much."

Senator Fernandes Salling also spoke for the measure and remarked:

"Mr. President, I also rise to speak in support of the bill and also to state further the needs of the counties, at least as to the County of Kauai. They are now considering having to increase the real property tax because of the Gramm-Rudman cuts. And this is a problem that not only the state is going to face but the counties and so it's very critical that we do look at the allocation of those funds and to those needs, and the fact that figures were presented to us in the Tourism Committee by some of the mayors which indicated that the rooms that cost more are located on the neighbor islands. These are rooms that are \$100 and over and the projection in the future is that more of these rooms that will cost more than what tourists are paying for hotel rooms here on Oahu will be located on the neighbor islands and in the future it is projected that revenues to be collected from this tax will perhaps be more than what will be collected from the tax on the hotel rooms on Oahu.

"This is a very serious matter and it should be looked at in terms of the Gramm-Rudman impact and the fact that the counties may have to increase property taxes and take care of everyone's interests in terms of the contributions that each of these interests have in trying to get this hotel room tax passed this session."

Senator Kuroda also spoke in support of the measure and stated:

"Mr. President, rising to speak in support of the measure, I agree with the Minority Leader and my Democratic colleague from Kauai that a good part of this revenue should go to the counties, but I think it's very important that the Minority Leader talks with members of the House regarding the proposed distribution of whatever revenues are raised from this measure, inasmuch as the House attitude is different from the thinking of the Senate regarding the manner in which we shall utilize these funds.

"And observing that the Minority Floor Leader suggests a 2 percent tax and the Minority Leader suggested a 4 percent tax with a good part of that going to the counties. I'd like to know what the other two Republican Senators may be thinking, whether they side with the Minority Floor Leader or the Minority Leader with regard to the amount of tax.

"Thank you."

Senator Henderson's responded:

"Mr. President, I can't answer for my colleagues in the House."

Senator Soares then said:

"Mr. President, I can — 2, 3, 4, 5."

Senator George interjected:

"Mr. President, I'm wondering if the implication is that we all have to vote together just the way Democrats do."  
(Laughter)

Senator Cobb added:

"Mr. President, whoever said the Democrats ever vote together."

Senator Yamasaki also spoke in support of the bill and remarked:

"Mr. President, I am speaking in favor of the bill.

"I just want to explain that the matter of distribution of revenues to the counties, I believe, will be taken care of by the amendment that we are proposing on page 29 of the bill which deletes a sentence in Section 237-34(a). The sentence that is deleted reads: 'Where the privilege is exercised in more than one taxation district the returns shall be transmitted to the Office of the First Taxation District.'

"This language is deleted and all the revenues generated by each county will be reported by the taxpayers in each taxation district."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 422-86 was adopted and S.B. No. 1886-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A TRANSIENT ACCOMMODATIONS TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 974, S.D. 2:

By unanimous consent, S.B. No. 974, S.D.

2, entitled: "A BILL FOR AN ACT RELATING TO THE CULTURE AND THE ARTS," was recommitted jointly to the Committee on Education and the Committee on Government Operations.

#### ORDER OF THE DAY

#### THIRD READING

Senate Bill No. 1583-86, S.D. 1:

By unanimous consent, S.B. No. 1583-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT," was recommitted to the Committee on Economic Development.

Senate Bill No. 1675-86, S.D. 1:

By unanimous consent, S.B. No. 1675-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES," was recommitted to the Committee on Economic Development.

Senate Bill No. 1748-86:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1748-86, entitled: "A BILL FOR AN ACT RELATING TO GENERAL PROVISIONS OF AQUATIC RESOURCES AND WILDLIFE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1751-86, S.D. 1:

By unanimous consent, S.B. No. 1751-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PLAN," was recommitted to the Committee on Economic Development.

Senate Bill No. 1771-86, S.D. 1:

By unanimous consent, S.B. No. 1771-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY ABANDONED OR SEIZED ON STATE LAND," was recommitted to the Committee on Economic Development.

Senate Bill No. 1947-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1947-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2394-86, S.D. 1:

Senator Aki moved that S.B. No. 2394-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Kawasaki spoke against the measure as follows:

"Mr. President, I rise to speak against passage of this bill.

"The bill apparently was introduced to take care of the problem of farmers in Waimanalo who, by the words of the report itself, have been living for two generations on these state farm lands and because right now they are on a month-to-month tenancy they are unable to finance whatever equipment they need for their farms, etc. And the language of the bill further allows these people to exclusively be beneficiaries of a lease with the state Land and Natural Resources Department for up to another 55 years. This appears to me, by giving a family who's been there for some time, two generations, and then allow them for another 55 years, to have exclusive rights to lease these lands, it just seems to me this is a complete monopoly on the part of these farmers who have been favored in the past with cheap state leases, but now with this bill given another chance to stay another 55 years or practically two-thirds of a century.

"It just seems to me that there might be others in this community who want to do some farming and want to acquire cheap state lease lands to farm, but you completely preclude these people from having an opportunity to bid on these lands. Those people have been staying on those lands for two generations on the average and I think they should compete with anyone else for these cheap state lease lands so others would have a chance to do some farming. This gives these people exclusive rights I think perhaps that we can't justify.

"For that reason I speak against passage of this bill."

Senator Hee spoke in support of the measure and remarked:

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

"Notwithstanding the previous speaker's concerns with respect to bidding, this bill was drafted for tenants who are bonafide farmers as defined by statute; who in some cases have been on a month-to-month tenancy through no fault of their own for upwards of 38 years.

"This bill, Mr. President and members of the Senate, is patterned after a bill which did somewhat the same kind of activity involving residential, month-to-month, revocable permittees in Maunaloa Valley in

Makiki, when at that time the Department of Land and Natural Resources was authorized to enter into negotiations with the residents for long-term leases.

"Mr. President, notwithstanding the previous speaker's concerns, it was stated at the committee hearing that the intent of this kind of legislation was to provide the state, as well as the lessees, the tenants affected presently who have in some cases invested upwards of a million dollars and have during the busy seasons employed upwards of a hundred people. This bill would, according to the Department of Land and Natural Resources, affect ten bonafide farmers as defined by statute and rather than erasing or removing all of the tenants in Waimanalo and starting over; this bill allows DLNR the authorization to enter into negotiations with the bonafide farmer and those who are not bonafide and other lands as well in Waimanalo would be up for bid. It is legislation which is timely; it is legislation which is sensitive to a particular problem with the bonafide farmers.

"Thank you, Mr. President."

Senator Kawasaki then continued:

"Mr. President, I believe a little clarification is in order here.

"I think the non-passage of this bill does not, does not remove a present tenant. As a matter of fact, if he is bidding for a renewed lease with the Land and Natural Resources Department in competition with others, he has a decided advantage. The present tenant has a very decided advantage simply because he's been there; he's made the improvements; he's got the equipment; and he's in a better position to bid favorably for this lease to be extended.

"What it does is to make him compete with anyone else who wants an opportunity to bid for these state lands because generally state lands, farm lands, are leased out with reasonable rents.

"My point here is, let's not remove the guy, but let him compete with anyone else who is a tax paying citizen farmer, possibly, who wants to have some chance to acquire these very favored leases. That's my point."

Senator Henderson also spoke in support of the bill and said:

"Mr. President, I speak in favor of the bill.

"We have precedent to this bill with the Milolii situation. We had a situation up in Makiki in '81 or '82, the same kind of situation.

"We have these people who have been there for 35 years on a month-to-month

tenancy. They've built up substantial businesses, substantial farming interests where they have over a million dollars invested, and to ask them to put that up for bid at public auction, to me, is not fair. I think this is a unique situation. It was an oversight by the Department of Land and Natural Resources that we got into this stage of affairs but to me it's important that we take care of these bonafide farmers. These are true farmers and it seems to me that we should approve this bill and allow these leases to be granted to these real farmers in Hawaii. Thank you."

Senator Abercrombie also support the measure and remarked:

"Mr. President, I originated the Manalahao Valley bill some years back and I do think that rather than just seeing it be mentioned in passing that it be stated very clearly for the record that in that particular instance it goes back even beyond the Milolii situation, way back into the time of the monarchy, even before the Territory.

"These situations are unique and are being treated as such. I don't think the passage of this bill does damage to the bidding process as it is generally understood to be applicable in other instances. And should by some circumstance another unique situation arise in the future, I think it should be dealt with accordingly. These are case-by-case instances that have to justify themselves on the individual merits."

The motion was put by the Chair and carried, and S.B. No. 2394-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawasaki).

Senate Bill No. 1813-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1813-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARM, AMMUNITION AND DANGEROUS WEAPONS; UNIFORM ACT ON STATUS OF CONVICTED PERSONS; TO CRIMINAL PROCEDURE: DEFERRED ACCEPTANCE OF GUILTY PLEA, NOLO CONTENDERE PLEA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1832-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1832-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS AND

AMMUNITION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2035-86, S.D. 1:

By unanimous consent, S.B. No. 2035-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," was recommitted to the Committee on Judiciary.

Stand. Com. Rep. No. 446-86 (S.B. No. 2155-86, S.D. 2):

On motion by Senator Chang, seconded by Senator Cayetano and carried, Stand. Com. Rep. No. 446-86 was adopted and S.B. No. 2155-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1820-86, S.D. 1:

By unanimous consent, S.B. No. 1820-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PENAL CODE," was recommitted to the Committee on Judiciary.

Senate Bill No. 1792-86, S.D. 1:

By unanimous consent, S.B. No. 1792-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PENAL CODE," was recommitted to the Committee on Judiciary.

Senate Bill No. 2038-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2038-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2268-86:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2268-86, entitled: "A BILL FOR AN ACT RELATING TO ATTORNEYS' FEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2453-86, S.D. 1:

On motion by Senator Chang, seconded by

Senator Cayetano and carried, S.B. No. 2453-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FRIVOLOUS SUITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 10:36 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:43 o'clock p.m.

At this time, Senator Abercrombie introduced Pauline Anakalea, Linda Wong and Gina Fasi who were sitting in the gallery.

Senate Bill No. 1531-86:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1531-86, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1575-86, S.D. 1:

By unanimous consent, S.B. No. 1575-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PENSIONS," was recommitted to the Committee on Judiciary.

Senate Bill No. 505, S.D. 1:

Senator Chang moved that S.B. No. 505, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Cayetano.

Senator Kawasaki rose to speak in support of the measure and remarked:

"Mr. President, I know you'd be sorely disappointed if I didn't have a few comments to make about this bill. I trust that this is absolutely the last time after 17 long years that I have to speak on this bill. I noticed that there were two signatures with reservations on this bill and one 'I do not concur,' and hoping to convince these skeptical Senators here I will go into the final presentation of the reasons why this should pass with a unanimous vote.

"Mr. President, some 17 years ago I, along with some foolish Democrats, very foolishly was persuaded by the owners of the Honolulu Advertiser and its editor at that time, Mr. Chaplin, that the present newspaper monopoly law should pass, and only as a favor to the then presiding officer, a very dear and close friend President of the Senate David McClung, I had consented to

vote for this. But I had stated on the floor 17 years ago that if I find that this bill passes and the newspapers would take advantage of the state statute that was not needed in the first place, simply because the statute's language was exactly what the federal statute was, and federal statutes, as you know, preempt anything that the state legislature can pass. So my point here was it's not needed.

"Why do we happen to be the only state passing a state statute identical to the federal statute when 21 other states with a similar kind of two-newspaper operation jointly did not see the need to pass such legislation. But anyway, I voted for it.

"I stated at that time that if I find that the newspapers took advantage of this against the best interest of the consumers I'd be the first to move to repeal this bill. Incidentally, Senator Abercrombie, this measure is not to pass the exemption bill, it's to repeal the exemption bill.

"Anyway, what has happened? What has happened is the newspapers in their joint operation ... a joint operation is not bad in itself, joint use of the accounting office, business office, so forth, that's fine, except that that bill had language that allowed these two newspapers, only these two newspapers ... the third newspaper could not enter into this agreement ... allowed them to jointly solicit business, jointly pool profits, and jointly set prices which, as I said, is price fixing. And for any other industry this would be a patent violation of the Sherman Antitrust Act.

"And as you know, the hotels, because about two years ago they entered into a price fixing scheme, they were fined heavily by the Justice Department. Now, why do we allow the newspapers to do this? This was one point.

"I found out too that the reason for the Legislature being encouraged to pass this legislation which was not needed was that the Advertiser was saying: 'We're in dire financial straits. Look at our books. We're about to go bankrupt. Do you want only one daily newspaper to exist in this state?' And we very foolishly did not examine their books. We did not have the capabilities of staff; a good audit would have cost money so we took their word for it.

"I attended the suit the City and County brought against the newspapers that was in the federal courts. The position that the City and County of Honolulu took was that the Honolulu Advertiser was not in dire financial straits at the time that they asked us to pass this bill. And attending everyday of the hearing for about a month, the trial, I came to the conclusion that indeed the Honolulu Advertiser was not in bad financial

straits. It is my opinion that they did not qualify to be able to operate in this joint arrangement, simply because the federal act says, 'A newspaper will be allowed to go into joint operation only if one of the two newspapers can prove that they are going to fail financially.' And that wasn't the case with the Advertiser.

"Anyway, what has happened? The Honolulu Advertiser which was originally capitalized at \$800,000 in 1978, years ago, paid \$2 million in cash dividends to their primary stockholder, Mr. Thurston Twigg-Smith. Capitalized at \$800,000, last year by a newspaper account of their success in buying two Seattle newspapers, I believe, showed a \$50 million profit. And I know what kind of profits they are making. Again, as I said just as long as they want profits as a private enterprise, that's fine, except that we have on the books special privilege legislation only for the newspapers. We cannot justify this to the small businesses, hundreds of businesses that have to use the papers for advertising.

"And what has happened since 1970? Since the enactment of the state statute, the two newspapers have raised the advertising rates twenty-three times, all of which is not absorbed by the retail establishment, the supermarkets, they simply pass it on to the consumers. That's the reason Hawaii is perhaps the highest food cost state in the nation, perhaps next only to Alaska.

"All these things considered, I figured we've got to continue to try to repeal this act, and interestingly enough in this year's testimony submitted in writing to the chairman of the Judiciary Committee they admitted that we don't need this legislation; that the federal statute preempts — exactly what I was saying.

"I'm glad that the newspapers finally recognized the fact that we could not as a legislature justify privileged legislation for one business, one industrial enterprise without sound justification. We did not have that sound justification.

"I'm glad that we can finally put this issue to rest.

"A moral here is, if you think you've got a good cause, don't give up.

"Thank you."

Senator Chang, in support of the measure, then said:

"Mr. President, sixteen years ago when I first entered the world of Hawaii State politics, Senator Kawasaki was one of the first significant figures that I encountered. It's a great pleasure to have guided the

legislation to the point where it is tonight and I want to thank Senator Kawasaki for giving me the time and the room to find the way to where we are. Thank you."

Senator Cobb spoke on the measure and said:

"Mr. President, I had hoped to convince the vice president that to change my vote, 'brief is beautiful,' and given the tenure of his remarks tonight he may succeed in doing just that.

"I would like to share with the members of the Senate the concern as reflected by my signature on the committee report because I found it ironic that only the two major protagonists in this seem to reach an accord and yet there were some other smaller firms involved that we hadn't heard from.

"It was almost like an agreement had been consummated between a fisherman and two whales in a rather small tadpole pond but nobody had checked with the tadpoles. And so for the last two days I've been checking with the tadpoles, the smaller businesses that also operate under the same kind of joint operating arrangement, specifically, the Sun Press newspapers and Midweek who operate from the same address; who print two different papers using the same presses. Also, specifically, the Hawaii Herald and the Hawaii Hochi, two different newspapers that also use one press, an arrangement quite similar to the Honolulu Advertiser and the Honolulu Star Bulletin and the Hawaii Newspaper Agency.

"None of these people knew of the bill at the time or knew of its implications. Both have responded to my call and have indicated that even if there is a change in the law, they would have some degree of flexibility to change their business operation.

"The third category of tadpoles was some of the small tourist publications that also participate on a joint basis with a single press and yet more than one editorial staff. They are undecided on this measure.

"Given the preemption and the agreement and the lack of opposition from the first two businesses that I have indicated, I will support this measure. But I think in the future, if an agreement like this is to be consummated, it ought to be more than just the two whales involved; that we should make a good faith effort also to reach out and hear the cries of the tadpoles who might be crushed in an encounter with those two whales.

"Thank you, Mr. President."

Senator Henderson then added:

"Mr. President, I'd like to say for the record that I think Senator Kawasaki is wrong. It wasn't 17 years ago because I think I was here in 1970 or 1971 when we voted on this issue and I'd like it recorded in the Journal that I voted against this bill. Thank you."

Senator Kuroda then remarked:

"Mr. President, I might as well get on the band wagon too.

"I had the occasion of voting against it in the House in the 1971 session and voting against it in the Senate in the 1972 session, but tonight, for the vice president, I'll vote with him."

The motion was put by the Chair and carried and S.B. No. 505, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE NEWSPAPER ANTITRUST EXEMPTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 455-86 (S.B. No. 2266-86, S.D. 2):

On motion by Senator Chang, seconded by Senator Cayetano and carried, Stand. Com. Rep. No. 455-86 was adopted and S.B. No. 2266-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2515-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2515-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NAMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1833-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1833-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FIREARMS AND AMMUNITION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1988-86:

By unanimous consent, S.B. No. 1988-86,

entitled: "A BILL FOR AN ACT RELATING TO MORTGAGES," was recommitted to the Committee on Judiciary.

Senate Bill No. 1793-86, S.D. 1:

By unanimous consent, S.B. No. 1793-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REVISION: AMENDING VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES FOR THE PURPOSE OF CORRECTING ERRORS, CLARIFYING LANGUAGE, CORRECTING REFERENCES, AND DELETING OBSOLETE OR UNNECESSARY PROVISIONS," was recommitted to the Committee on Judiciary.

Senate Bill No. 1572-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1572-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REGULATION OF MOTOR VEHICLE REPAIRS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2056-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2056-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2063-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2063-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PSYCHOLOGISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1506-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1506-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSTREAM USES OF WATER," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Fernandes Salling).

Senate Bill No. 1655-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1655-86, S.D. 1, entitled: "A BILL FOR AN

ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1679-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 1679-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2404-86, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2404-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2069-86, S.D. 1:

On motion by Senator Solomon, seconded by Senator Hagino and carried, S.B. No. 2069-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1695-86, S.D. 1:

Senator Cobb moved that S.B. No. 1695-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Cayetano.

Senator B. Kobayashi rose to speak against the measure and remarked:

"Mr. President, I am speaking in opposition to the bill and would like to read a couple of things into the record.

"Mr. President, we received, after the hearing on this bill, several disturbing letters. The letters include comments that we normally don't hear.

"Concerning the discussion, a letter was written to us by the Department of Health saying that: 'Hearing testimony on February 21, 1986, by naturopaths in which they led the committee to believe they currently could prescribe drugs, both "legend" drugs not sold over the counter,

and also codeine, a controlled substance, the Department of Health investigated the matter and found the statement untruthful and misleading, per the attached report of the Office of Narcotics Enforcement.' This was signed by the Director of Health.

"In the same letter, it also states, 'We also believe that the naturopaths are not currently licensed to perform any type of surgery, and have requested the Attorney General's opinion on this.'

"Also a letter was received from the Hawaii Medical Association and it states, among other things, 'We believe the testimony presented is not factual and was a deliberate attempt to mislead those present at the hearing and that the testimony violated the sanctity of the legislative process.'

"Thank you."

At 10:59 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:01 o'clock p.m.

Senator Cobb, in support of the measure, then said:

"Mr. President, I had received copies, in fact the originals of those letters myself, and I checked with some people in the department. I, frankly, myself, was disturbed by not only the content of the letter but the tenor of them and that's one of the things that caused me to recommend to the committee in the final form of the bill that it be strictured very tightly; in fact, putting in the purpose clause, 'nothing contained in this bill would be an expansion of the practice of naturopathy over and above what is allowed presently in the law.'

"Concerning the matter of drugs, the only evidence I could find that was cited in the committee was a 1981 stipulated judgment of a court ruling. It stated that there are some controlled substances, namely, powdered opium, that were permitted. That was a Mainland decision. And so we limited the drug provision to that which is a natural homeopathic drug and provided no expansion of it.

"I might add that this bill is an outgrowth of what was requested by this Legislature last year, namely, that in the sunset review process of the Board of Naturopathy the Legislative Auditor had come down with a number of recommendations to define the practice. This bill is an outgrowth of those recommendations and was submitted not only through the department but through the board and came to us.

"I would caution the proponents of this

bill that the testimony in the House is going to be watched very closely, particularly, after we received a letter like this. And speaking as chairman, and I'm sure with the support of my committee, would be opposed to any expansion of the practice unless there are very clear medical safeguards built in.

"When the question came to surgery, we found that there are a number of different types of surgery that are practiced. One, you have major, you have minor, you have orificial surgery. We very carefully limited the application of surgery to minor or orificial surgery which does not allow the penetration of any major body cavity and which is limited to the cleansing of a wound or the suturing of an open wound, but in no case would there be any type of surgery that is in any way considered life threatening allowed.

"I, personally, am going to be following the results of this bill in its hearing in the House, assuming it makes it there, because I have an interest in seeing that the concerns of both the medical association and the Department of Health are addressed on a continuing basis.

"And on that basis, I would ask for the members' support. Thank you."

Senator Henderson also spoke in support of the measure and said:

"Mr. President, I support the bill. I think that if we pass this bill we will have a better law on the books than we have now. And I think that's the primary issue tonight. Thank you."

Senator Matsuura rose to state: "No vote for me."

Senator McMurdo then remarked:

"Mr. President, I've changed my mind since the original hearing on this bill.

"After looking at some of the letters and talking to some members of the medical profession, I have enough doubts that I cannot support this bill."

Senator Kuroda spoke in support of the measure and said:

"Mr. President, I rise to speak in support of this bill.

"I've supported legislation regarding podiatry and chiropractic in the past and now I support naturopathy because our constituents out there who continue to depend on the so-called medical physicians keep going back to these three professions for care and treatment that the medical profession 'finds themselves too busy to



provide the time' and it is we in these halls who are going to provide this kind of professional services by supporting a measure of this type. Thank you."

Senator Kawasaki also spoke in support of the measure and inquired:

"Mr. President, I am supporting this bill but I'd like to direct a question to the chairman of the Committee on Health, if he would respond to a question."

The Chair posed the question to the chairman and the chairman, having answered in the affirmative, Senator Kawasaki asked:

"On the basis of the comments made by the chairman of the Consumer Protection Committee, I take it that, notwithstanding the letter received from the Health Department at this very late date, the substance of the bill and its intent and purposes still merit our support. That is the impression I get listening to the chairman of the Consumer Protection Committee. Do you concur with this opinion that he has?"

Senator B. Kobayashi answered:

"I agree that the general direction of the bill is quite admirable. I'm disturbed about the specific nature of whether the scope of practice will or will not change because of this bill. What we have are two very, very different stories being given from two very different groups."

Senator Kawasaki continued:

"Are you in concurrence with the comments made by Senator Cobb?"

Senator B. Kobayashi answered:

"I concur only to the extent of saying that the general direction of supporting defining of the scope and the process of the Naturopathy Board is good, and further that there is a need and I think a legitimate place for the role of naturopathy in health care."

Senator Kawasaki then said:

"Thank you. That's good enough for me and I support the bill and urge my fellow Senators to support the bill."

The motion was put by the Chair and carried, and S.B. No. 1695-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NATUROPATHY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (B. Kobayashi, Matsuura and McMurdo).

Stand. Com. Rep. No. 469-86 (S.B. No. 2166-86, S.D. 2):

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 469-86 was adopted and S.B. No. 2166-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A JOB EVALUATION STUDY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Henderson and Soares).

Stand. Com. Rep. No. 470-86 (S.B. No. 2485-86, S.D. 2):

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, Stand. Com. Rep. No. 470-86 was adopted and S.B. No. 2485-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PRODUCTS AND SERVICES OF HANDICAPPED INDIVIDUALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1676-86, S.D. 1:

By unanimous consent, S.B. No. 1676-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION DISTRICTS," was recommitted to the Committee on Economic Development.

Senate Bill No. 1747-86:

By unanimous consent, S.B. No. 1747-86, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," was recommitted to the Committee on Economic Development.

At 11:10 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:11 o'clock p.m.

Senate Bill No. 2073-86, S.D. 1:

Senator Aki moved that S.B. No. 2073-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Matsuura.

Senator Abercrombie rose to speak against the measure as follows:

"Mr. President, I'm speaking against this bill. And I understand that we're now at a stage of the bills where we start rolling over bills in terms of asking it to be put at the end of the calendar, so we might as well deal with this. We could save a lot of time if we just defeat this quickly. (Laughter) How's that for an idea?"

The Chair responded: "That's terrific."

Senator Abercrombie continued:

"Mr. President, I hope that those of us who object to this bill can state it succinctly enough to get this vote in the negative. And I wish we did not have to do this. I wish the chairman would consider recommitting it.

"Mr. President, there's a long history associated with the argument in respect to the 20 percent of the ceded lands held by this state to be transferred to the Office of Hawaiian Affairs in terms of it's control of the income.

"Mr. President, there has also been a long history, and I think very unfortunately so, with respect to whether or not, as indicated in the committee report by the Department of Transportation testimony that a sizable portion of the ceded lands now used for harbor and airport operations are in dispute with respect to the generation of revenues and whether they should go to OHA.

"Mr. President, how is it possible for us at this stage of the game with all the difficulties that OHA is sustaining at the present time in the argument over the revenue of the ceded lands to now say suddenly that while we refuse to concede to OHA with respect to the 20 percent, control of the revenues of the 20 percent, that we will now somehow carve out a hundred acres of land and then mandate OHA to use it for senior citizen housing.

"Mr. President, this Legislature I think is considering some good legislation. I think the record that might come out of this session may be almost of landmark variety in comparison to that of the last 25 years, perhaps. I would not like to see it marred by committing a cruel hoax on the people of this state by passing such a bill so that our senior citizens, particularly those of Hawaiian decent, will now expect that 100 acres of land has now been given over to OHA to build senior citizen housing for them, because that's exactly what they're going to think and have every right to think.

"And the chairman has indicated there's not the slightest idea of where the 100 acres is going to be in relation to any project whatsoever or anything to do with the way of financing, anything to do with the way how the choices will be made. Simply to pass a bill, transferring these lands to OHA for senior citizen housing is interference with OHA; it is worse than a hoax on our senior citizens and an absolute deception and a deliberate deception. And at this stage of not only OHA's existence, but our sorry record in this area, there cannot possible be any public, meritorious justification for the passage of such a bill. I have not heard it yet.

"Perhaps the chairman can do it before this discussion is over, but in the absence of some compelling, public, meritorious, justifiable need to pass this bill, I think it should be defeated."

Senator B. Kobayashi also spoke against the measure and remarked:

"Mr. President, I think we have been told that, number one, the Office of Hawaiian Affairs did not testify in support of the bill; further, that there are no current plans in the Office of Hawaiian Affairs for provision of senior citizen housing.

"As stated previously, there are no funds readily identified for this; there is no specific site contemplated; there is no specific project contemplated.

"I would think that we should proceed orderly and certainly address the needs of senior citizens, certainly senior citizens of Hawaiian ancestry, but that this bill is perhaps a bit premature."

Senator Aki spoke in support of the measure and responded:

"Mr. President, I rise to speak in support of this bill.

"Senate Bill 2073 would add a new section to our Revised Statutes which would require transfer of title to a hundred acres of ceded lands held by the state to OHA. That office would then be required to develop the land transferred for senior citizen housing for native Hawaiians and Hawaiians. Title to the land would be retained by OHA and managed as a public trust. It could not be transferred to any other person or public agency.

"The bill also provides for OHA to recommend to the Legislature in a report to be submitted prior to the convening of the 1987 session what ceded land it desires to have transferred and the amount of compensation, if required by law or contract, and required to be paid for the transfer. Upon receipt of the report, the Legislature would effectuate the transfer and provide for compensation, if required by law or contract. The Legislature would not be required to comply with all the recommendations of the report.

"Mr. President, this bill is not to deceive anyone as was previously pointed out by one of the speakers. This bill is to get going on one of the major problems facing the Hawaiian people, and I must state that that problem is housing. The present waiting list numbers close to 4,000 people on that list and in the next few years we expect the waiting list to go to approximately 9,000 people.

"This bill gives the Hawaiian people the land that rightfully belongs to them. We allow others to use the land. We have our lands used for airports, harbors, and now there's talk about using lands for space centers on the Big Island. Why not let the people use the land for good purposes such as senior citizens' housing.

"Mr. President, the fact of the matter is that in the last five years OHA has attempted to get or acquire vacant ceded lands from the state Department of Land and Natural Resources and with no success. I think it's time that we do something and this is the first step. Thank you."

Senator Cayetano then requested a conflict of interest ruling by the Chair and said:

"Mr. President, I ask the chair for a conflict ruling. Our law firm represents OHA in its law suit against the state."

The Chair ruled that Senator Cayetano was not in conflict.

Senator Kawasaki then spoke against the measure as follows:

"Mr. President, I too rise to speak against passage of this bill.

"As you know, I suppose I was the only one that voted against creation of the Office of Hawaiian Affairs as I would have been against creating of an Office of Japanese American Affairs. But now that we have created the entity, ostensibly, and trusting to their care the management of programs to take care of the needs of the Hawaiian people, I think it's wrong for us here in the Legislature at this point to say we are going to tell you how to manage your programs, specifically in this case, to provide housing for senior citizens of Hawaiian ancestry.

"I believe once we've created the agency, the Office of Hawaiian Affairs, and we gave them the responsibility to manage the affairs of programs developed for the benefit of people of Hawaiian ancestry, then we should have confidence enough in their ability to do that, notwithstanding the fact their record so far isn't exactly awe inspiring. In any case, I think it's wrong for us by virtue of passage of this bill to mandate the Office of Hawaiian Affairs to leave 20 percent of the income derived out of ceded lands to be used for the creation of housing for Hawaiian people. I think this is wrong."

Senator Abercrombie then continued:

"Mr. President, inasmuch as the chairman referred to a remark that I made, I think I must very briefly respond to it.

"I said it was a cruel deception and I will repeat that remark and I will justify that remark at this time.

"Look at Section (b) on page 1. You're going to ask OHA now to go through all the work of recommending ceded lands it desires to have — it shall include an identification of the lands, the acreage, the use, the users, the amount of compensation possibly to be required and all the rest of it and then you go down to number (c), line 9, and I quote: '... provided that the legislature shall not be required to comply with all of the recommendations of the report.' Why should we have them go through all of this and say in the legislation, but of course we don't have to pay attention to it.

"Now, if we are prepared to fund senior citizen housing on a hundred acres of ceded lands for Hawaiians, I would be the first one to vote for it. I'd be happy to accede there and try to do the right thing for them.

"Why can't we pass a resolution and ask OHA whether they have some recommendations to bring to us, put it in the form of a bill, and put our money where our mouth is.

"This is a cheap way of trying to say to people, 'hey, we're all for you; we even want to build senior citizen housing for you; of course, we don't have to pay any attention to any of the recommendations because there's not a single dime to back it up, but come see us next year after the elections and we'll take care of you.' I think it is shameful to try and fool people this way."

Senator Holt spoke in support of the bill as follows:

"Briefly, Mr. President, in support of the bill and in support of the chairman.

"Senator Kobayashi mentioned that there are no plans, no money, no site in this bill. I just remembered previously, neither does the convention center. Thank you."

The motion was put by the Chair and carried, and Roll Call vote having been requested, S.B. No. 2073-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 8 (Abercrombie, Cayetano, Hee, Kawasaki, B. Kobayashi, McMurdo, Solomon and Toguchi).

Senate Bill No. 2189-86:

By unanimous consent, S.B. No. 2189-86, entitled: "A BILL FOR AN ACT RELATING

TO LEASES OF PUBLIC LANDS," was recommitted to the Committee on Economic Development.

Senate Bill No. 2262-86:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 2262-86, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PLANNING ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (George and Henderson).

Senate Bill No. 718, S.D. 1:

On motion by Senator Aki, seconded by Senator Matsuura and carried, S.B. No. 718, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LEASING OF OCEAN AND MARINE RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Cayetano, Chang, Hee, Henderson, Kawasaki and McMurdo).

Senate Bill No. 1574-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1574-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM COMMERCIAL CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1534-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 1534-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LICENSING OF PSYCHOLOGISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (B. Kobayashi and Matsuura).

Senate Bill No. 1687-86:

By unanimous consent, S.B. No. 1687-86, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1694-86:

By unanimous consent, S.B. No. 1694-86, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE AND COLLECTION SERVICING AGENTS," was recommitted to the Committee on Consumer Protection and

Commerce.

Senate Bill No. 1693-86:

By unanimous consent, S.B. No. 1693-86, entitled: "A BILL FOR AN ACT RELATING TO REGULATION OF ELECTRICIANS AND PLUMBERS," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1696-86:

By unanimous consent, S.B. No. 1696-86, entitled: "A BILL FOR AN ACT RELATING TO PHARMACISTS AND PHARMACY," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1697-86, S.D. 1:

By unanimous consent, S.B. No. 1697-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MASSAGE," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1702-86:

By unanimous consent, S.B. No. 1702-86, entitled: "A BILL FOR AN ACT RELATING TO PODIATRISTS," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1752-86:

By unanimous consent, S.B. No. 1752-86, entitled: "A BILL FOR AN ACT RELATING TO CHIROPRACTIC," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1847-86:

By unanimous consent, S.B. No. 1847-86, entitled: "A BILL FOR AN ACT RELATING TO PILOTAGE WATERS," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 1891-86, S.D. 1:

By unanimous consent, S.B. No. 1891-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," was recommitted to the Committee on Consumer Protection and Commerce.

Senate Bill No. 2257-86, S.D. 1:

Senator Cobb moved that S.B. No. 2257-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator B. Kobayashi.

Senator Cobb rose on a point of information and in support of the measure and stated:

"Mr. President, I'd like to point out a drafting error on the bottom of page 5 and continuing on to page 6 where there are some brackets that were inserted that should not have been inserted.

"I think, though, the purpose of this bill is a worthy one that deserves further consideration, and that is to repeal the 'take-all-comers' provision with respect to no-fault automobile insurance which testimony, rather voluminous testimony, before my committee has indicated is a deterrent to having additional insurers come into the state to provide the option of no-fault insurance. And if this measure would do anything to help that, I think it deserves the members' support. It will be addressed not only in the House but very likely in the conference committee. Thank you."

The motion was put by the Chair and carried, and S.B. No. 2257-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 8, S.D. 1:

Senator Chang moved that S.B. No. 8, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Cayetano.

Senator Cobb spoke on the measure as follows:

"Mr. President, on this one, I think the caucus discussion indicated that there was a further amendment that was necessary in the House to clarify for the record, as well as for the benefit of the court, any evidence that would be presented by a party seeking a name change to insure that a good faith effort had been made to notify the absent parent at their most recent known address. That kind of evidentiary requirement was lacking in this bill and I wanted to insure that that matter was addressed in the House, and therefore request that these remarks be inserted in the record. Thank you."

Senator Chang then added:

"Mr. President, for the record, the present Family Court procedures call for an affidavit attesting to the service of process notice by mail, notice by publication and efforts to contact any known relatives, the last known employer, and the forwarding address. Also, the court seeks to determine if relevant and appropriate chases can be conducted through military, federal parent locator service, Department of Social Services, Social Security Administration,

and all other leads that may be exhausted before the determination is made that the parent cannot be found."

The motion was put by the Chair and carried, and S.B. No. 8, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NAMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 11:27 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:30 o'clock p.m.

Senate Bill No. 303, S.D. 1:

Senator Chang moved that S.B. No. 303, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Cayetano.

Senator Chang spoke on the measure and remarked:

"Mr. President, I must apologize, for there are several drafting errors. As examples, on the first page, there are references to section numbers with periods instead of dashes, and on the fifth page, section (e) was supposed to have been deleted. I will catch this error in the House and when it returns these errors will be corrected. Thank you."

The motion was put by the Chair and carried, and S.B. No. 303, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO POLITICAL PARTIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 899, S.D. 1:

On motion by Senator Chang, seconded by Senator Abercrombie and carried, S.B. No. 899, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CARRYING DEADLY WEAPONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Cayetano).

Senate Bill No. 2057-86, S.D. 1:

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, S.B. No. 2057-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 1023, S.D. 2:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1023, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE COURTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2031-86, S.D. 1:

By unanimous consent, S.B. No. 2031-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO JUDICIARY," was recommitted to the Committee on Judiciary.

Senate Bill No. 1538-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 1538-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHECKS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2033-86:

By unanimous consent, S.B. No. 2033-86, entitled: "A BILL FOR AN ACT RELATING TO FAMILY COURT," was recommitted to the Committee on Judiciary.

Senate Bill No. 2045-86, S.D. 1:

By unanimous consent, S.B. No. 2045-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS AND RECORDS," was recommitted to the Committee on Judiciary.

Stand. Com. Rep. No. 498-86 (S.B. No. 1831-86, S.D. 2):

On motion by Senator Chang, seconded by Senator Cayetano and carried, Stand. Com. Rep. No. 498-86 was adopted and S.B. No. 1831-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2277-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2277-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PROTECTION OF ADULT WARDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2290-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2290-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GUARDIANS AND TRUSTEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 501-86 (S.B. No. 1550-86, S.D. 2):

On motion by Senator Chang, seconded by Senator Cayetano and carried, Stand. Com. Rep. No. 501-86 was adopted and S.B. No. 1550-86, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY OF OFFICERS OR DIRECTORS OF NONPROFIT CORPORATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2258-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Aki and carried, S.B. No. 2258-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TORTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Abercrombie, Cayetano, Henderson, McMurdo and Soares).

Senate Bill No. 2238-86, S.D. 1:

On motion by Senator Chang, seconded by Senator Cayetano and carried, S.B. No. 2238-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PORNOGRAPHY FOR MINORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Senate Bill No. 2331-86, S.D. 1:

Senator Chang moved that S.B. No. 2331-86, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Cayetano.

Senator Abercrombie spoke in support of the measure and remarked:

"Mr. President, I want to speak in favor of this bill and in the process I want to thank the chairman of the Judiciary Committee for his courtesy extended not only to all the members of his committee and to the public and thank his staff for the work that they did on moving back and forth from the

second floor to the auditorium and back again. This was an arduous bill to get through. As I say, I want to thank the chairman because he helped us a great deal to keep our attention on the bill itself; that is to say, the language of the bill and the intent of the bill, as opposed to the efforts of the City Prosecutor to try and twist both the motivations of those of us who introduced the bill, namely, myself and Senator Cayetano and Senator Hee, and those who were supportive in trying to deal with the situation in a responsible way. And that in essence was that given the laws already existing on pornography, was it possible for us to deal with a very real human situation of video clerks being arrested.

"The testimony, I think the chairman and others who attended the hearings will agree, in many instances revolved around their conception about pornography on the part of those testifying who had satisfied their sense of what pornography was, but unfortunately had nothing to do with the law, let alone the bills that were before us, but this bill in particular. And we have to respect those opinions, Mr. President, there's no question about that. But the plain fact of the matter is that my personal opinion about the depiction of sexually explicit material in a graphic sexual activity, my opinion or your opinion or opinions of those testifying to the degree that it represents a personal point of view and does not represent the law, was not at point, not at issue, and could not be taken into account with respect to the possible wording of any changes in the law. Nor could my views or the views of others with respect to the overall question of pornography in statute or an opinion in previous court actions be taken into account, except by way of reference. This was not a referendum.

"In other words, this bill was not a referendum on pornography as such, either as a philosophical discussion or a re-hashing or recapitulation of what the law should be doing or even was doing at the time. It did not intend to do that. This issue was addressed solely to the point of whether or not the arrest and conviction of clerks in the video stores was materially aiding and abetting the proper prosecution of pornography in the community.

"I think what was clear, especially from the testimony of the police officers involved, was that there was a strategy, perhaps an agenda one might say, over and above the enforcement of law itself. And that strategy, quite frankly, Mr. President, was to intimidate the video store owners and the clerks and the public by extension by these kinds of arrests. The message certainly was getting out. And it was up to us to make a policy decision then with

respect to this issue.

"I appreciate the candor, and I'm not speaking on behalf of the chairman, obviously, and other members of the committee, but I'm sure I reflect their sentiments and when I say that we appreciate the candor of the Police Department, as well as the forthrightness of the Police Department and Mr. Yoshida, in particular, from the Prosecutor's Office, in recognizing publicly both by their testimony, orally, and in their written commentary, recognizing the intent of Senators Cayetano, myself and Hee in introducing this legislation, which was to address the due process questions with respect to the arrested video clerks, and not to try and alter in any fundamental way the pornography laws. In fact, we saw to incorporate if possible the pornography law to make more clear what promotion of pornography was, and this was the statute at point. It spoke to content which involves topics or matter treated in a written work, the substance and gist of events and physical details, essential meaning, and involve character which could be a feature used to separate distinguishable things into categories or a complex of mental and ethical traits marking and often individualizing a person or a group or one of the attributes or features that make up and distinguish the individual or that category.

"And we added, for purposes of this bill, Mr. President, the words 'in nature.' The reason we did that was to bring the law into conformance with present rulings in the Supreme Court, as stated in the committee report.

"It became quite clear in the course of the testimony what needed to be done with respect to specific procedures to protect the clerks. It was not necessary to go to some of the features that we had put forward originally in the bill with respect to adversarial hearings and distinguishing between the clerks and the owners in terms of dissemination of material which might be judged at some point to be pornographic.

"It was a good example, I think, Mr. President, of the public hearing process in action. It shows how you could take a difficult subject, one subject, to high emotional content and polarize views and in the course of conducting a hearing be able to come up with a product that addresses the concerns of the originators of the bill, and at the same time paid respect to the views of those people who did not express the sentiments similar to one's own.

"I trust that the City Prosecutor will now recognize that what the intentions were of those of us who introduced and supported and went through this hearing, and that if we pass this bill this evening that we will be

able to have achieved remarkably enough, given the origin of the controversy, something which should be satisfactory to all parties.

"I want to say in conclusion that had the City Prosecutor granted us the courtesy of accepting the good faith and goodwill of those who introduced the bill with respect to their intention, instead of characterizing us and those who supported even discussing this bill in the manner in which he did ... I say the City Prosecutor of Honolulu; we did not receive the same kind of treatment from the other prosecutors who apparently had more to do with their time than assassinate character ... if we had been able to have the level of discussion that took place with the representatives of his office at the hearing and the Police Department, I think we would not have had generated the same kind of controversy which shed, believe me, much more smoke, much more heat than light and clarity.

"I hope that this bill will pass and I hope that we will have an opportunity, should it return to us from the House, to see to it that people no longer will be arrested first and then we find out afterwards whether they have committed a crime. And those whose sensibilities are otherwise offended by the sight or contemplation of sexually explicit material being available will feel confident that the pornography laws not only are in place but that this law is an addition to the protections now afforded them with the laws and interpretations and rulings already in existence.

"Thank you."

The motion was put by the Chair and carried, and S.B. No. 2331-86, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PORNOGRAPHY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 11:43 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

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

#### HOUSE COMMUNICATIONS

Hse. Com. No. 259 to 355, transmitting the following House Bills which passed Third Reading in the House of Representatives on March 5, 1986, were placed on file and, on motion by Senator Cobb, seconded by Senator Soares and carried, said House Bills passed First Reading by title and were placed on the calendar for further consideration on Friday, March 7, 1986:

Hse. Com. No. 259 - H.B. No. 55, H.D. 2,

entitled: "A BILL FOR AN ACT RELATING TO HOUSING";

Hse. Com. No. 260 - H.B. No. 381, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO JUROR'S COMPENSATION";

Hse. Com. No. 261 - H.B. No. 1392, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AIRPORTS";

Hse. Com. No. 262 - H.B. No. 1665-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII RESEARCH AND TRAINING REVOLVING FUND";

Hse. Com. No. 263 - H.B. No. 1666-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A TEACHER INCENTIVE PROGRAM";

Hse. Com. No. 264 - H.B. No. 1706-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A HAZARDOUS WASTE PROGRAM";

Hse. Com. No. 265 - H.B. No. 1710-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE CREATION OF ARTIFICIAL HABITATS FOR BOTTOMFISH";

Hse. Com. No. 266 - H.B. No. 1737-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISE";

Hse. Com. No. 267 - H.B. No. 1764-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX";

Hse. Com. No. 268 - H.B. No. 1801-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE";

Hse. Com. No. 269 - H.B. No. 1803-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE";

Hse. Com. No. 270 - H.B. No. 1857-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DISCRIMINATION IN PUBLIC ACCOMMODATIONS";

Hse. Com. No. 271 - H.B. No. 1870-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT";

Hse. Com. No. 272 - H.B. No. 1878-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FIRE COUNCIL";



Hse. Com. No. 273 - H.B. No. 1891-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO FINANCE THE WAILUA RIVER HYDRO PROJECT";

Hse. Com. No. 274 - H.B. No. 1898-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT OPPORTUNITIES";

Hse. Com. No. 275 - H.B. No. 1903-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PILOTAGE WATERS";

Hse. Com. No. 276 - H.B. No. 1927-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF A MASTER PLAN TO PROMOTE HAWAII AS A SPORTS CENTER";

Hse. Com. No. 277 - H.B. No. 1934-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TRAINING";

Hse. Com. No. 278 - H.B. No. 1940-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTEREST AND USURY";

Hse. Com. No. 279 - H.B. No. 1944-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRUST COMPANIES";

Hse. Com. No. 280 - H.B. No. 1946-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEAUTY CULTURE";

Hse. Com. No. 281 - H.B. No. 1965-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOLOKAI CATTLE";

Hse. Com. No. 282 - H.B. No. 1985-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIABILITY OF DOG OWNER";

Hse. Com. No. 283 - H.B. No. 1990-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE RELIEF OF CERTAIN PERSON'S CLAIMS AGAINST THE STATE AND PROVIDING APPROPRIATIONS THEREFOR";

Hse. Com. No. 284 - H.B. No. 1991-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF THE ATTORNEY GENERAL";

Hse. Com. No. 285 - H.B. No. 2008-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY";

Hse. Com. No. 286 - H.B. No. 2011-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY";

Hse. Com. No. 287 - H.B. No. 2013-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND FIRE PROTECTION";

Hse. Com. No. 288 - H.B. No. 2023-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ESTABLISHMENT OF A SPECIAL FUND FOR THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION";

Hse. Com. No. 289 - H.B. No. 2026-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS";

Hse. Com. No. 290 - H.B. No. 2032-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REGULATION OF ELECTRICIANS AND PLUMBERS";

Hse. Com. No. 291 - H.B. No. 2033-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MORTGAGE AND COLLECTION SERVICING AGENTS";

Hse. Com. No. 292 - H.B. No. 2035-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACISTS AND PHARMACY";

Hse. Com. No. 293 - H.B. No. 2037-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MASSAGE";

Hse. Com. No. 294 - H.B. No. 2042-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PODIATRISTS";

Hse. Com. No. 295 - H.B. No. 2045-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FINES";

Hse. Com. No. 296 - H.B. No. 2109-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PLAN";

Hse. Com. No. 297 - H.B. No. 2110-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHIROPRACTIC";

Hse. Com. No. 298 - H.B. No. 1802-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD TENANT CODE";

Hse. Com. No. 299 - H.B. No. 2119-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RESIDENTIAL LEASEHOLDS";

Hse. Com. No. 300 - H.B. No. 2122-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HOUSING AUTHORITY";

Hse. Com. No. 301 - H.B. No. 2129-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROPERTY ABANDONED OR SEIZED ON STATE LAND";

Hse. Com. No. 302 - H.B. No. 1851-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A CARGO DISTRIBUTION CENTER";

Hse. Com. No. 303 - H.B. No. 2144-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR JOB TRAINING";

Hse. Com. No. 304 - H.B. No. 2157-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AN OFFICE ON HANDICAPPED PERSONS";

Hse. Com. No. 305 - H.B. No. 2189-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAVINGS AND LOAN ASSOCIATIONS";

Hse. Com. No. 306 - H.B. No. 2199-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE RELOCATION AND EXPANSION OF SAINT FRANCIS HOSPITAL'S RENAL DIALYSIS FACILITY AT MAUI MEMORIAL HOSPITAL";

Hse. Com. No. 307 - H.B. No. 2201-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A GROUNDWATER PROTECTION PROGRAM";

Hse. Com. No. 308 - H.B. No. 2209-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO SUPPORT MAIN STREET TASK FORCE";

Hse. Com. No. 309 - H.B. No. 2210-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE REOPENING OF STATE AND LOCAL AIR MONITORING STATIONS (SLAMS)";

Hse. Com. No. 310 - H.B. No. 2219-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN'S FACILITIES";

Hse. Com. No. 311 - H.B. No. 2221-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE ACT";

Hse. Com. No. 312 - H.B. No. 2223-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE OFFICE OF COMMUNITY SERVICE";

Hse. Com. No. 313 - H.B. No. 2246-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID";

Hse. Com. No. 314 - H.B. No. 2254-86,

H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH";

Hse. Com. No. 315 - H.B. No. 2275-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR OCEAN RESEARCH";

Hse. Com. No. 316 - H.B. No. 2276-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR FRESH SEAFOOD PROMOTION";

Hse. Com. No. 317 - H.B. No. 2280-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES";

Hse. Com. No. 318 - H.B. No. 2284-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNDERGROUND STORAGE TANKS";

Hse. Com. No. 319 - H.B. No. 2300-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PROMOTION OF PAPAYAS";

Hse. Com. No. 320 - H.B. No. 2312-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL QUALITY IN HARBORS";

Hse. Com. No. 321 - H.B. No. 2337-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER INFLUENCE";

Hse. Com. No. 322 - H.B. No. 2349-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HEARING-IMPAIRED";

Hse. Com. No. 323 - H.B. No. 2360-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY";

Hse. Com. No. 324 - H.B. No. 2381-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE 200TH ANNIVERSARY OF THE ARRIVAL OF THE CHINESE IN HAWAII";

Hse. Com. No. 325 - H.B. No. 2412-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EXPENSES RELATED TO PARTICIPATION OF A HAWAIIAN VOYAGING CANOE IN THE TALL SHIP CELEBRATION OF THE CENTENNIAL RESTORATION OF THE STATUE OF LIBERTY";

Hse. Com. No. 326 - H.B. No. 2428-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO CONDUCT A STUDY TO INVESTIGATE THE CREATION OF A TRANSPORTATION IMPROVEMENT DISTRICT";

Hse. Com. No. 327 - H.B. No. 2429-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO CONDUCT A STUDY TO INVESTIGATE THE CREATION OF A RIDESHARING AUTHORITY";

Hse. Com. No. 328 - H.B. No. 2430-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO CONDUCT A STUDY ON THE FEASIBILITY OF CREATING HIGH OCCUPANCY VEHICLE (HOV) LANES IN CENTRAL AND LEEWARD OAHU";

Hse. Com. No. 329 - H.B. No. 2446-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PRELIMINARY PLANNING AND DESIGN OF A STATEWIDE COMPUTERIZED JUVENILE JUSTICE INFORMATION SYSTEM";

Hse. Com. No. 330 - H.B. No. 2468-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RIGHT TO SUE BY NATIVE HAWAIIAN INDIVIDUALS AND ORGANIZATIONS";

Hse. Com. No. 331 - H.B. No. 2472-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ALLOWANCES";

Hse. Com. No. 332 - H.B. No. 2482-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ABUSE OF FAMILY AND HOUSEHOLD MEMBERS";

Hse. Com. No. 333 - H.B. No. 2495-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LIFELINE TELEPHONE SERVICE";

Hse. Com. No. 334 - H.B. No. 2501-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXABLE MORTGAGE SECURITIES PROGRAMS";

Hse. Com. No. 335 - H.B. No. 2506-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENTALLY DISABLED";

Hse. Com. No. 336 - H.B. No. 2513-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL QUALITY";

Hse. Com. No. 337 - H.B. No. 2532-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR PRESENTING THE PLAY 'HEAR ME, O MY PEOPLE' IN WASHINGTON, D.C.";

Hse. Com. No. 338 - H.B. No. 2536-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES";

Hse. Com. No. 339 - H.B. No. 2540-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HAWAII CRIMINAL JUSTICE COMMISSION";

Hse. Com. No. 340 - H.B. No. 2549-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WORKER'S COMPENSATION";

Hse. Com. No. 341 - H.B. No. 2580-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION";

Hse. Com. No. 342 - H.B. No. 2595-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC SERVICE COMPANY TAX";

Hse. Com. No. 343 - H.B. No. 2608-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TUITION WAIVERS FOR VETERANS";

Hse. Com. No. 344 - H.B. No. 2618-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CERTAIN EXEMPT POSITION IN THE INTERNATIONAL SERVICES BRANCH OF THE BUSINESS AND INDUSTRY DEVELOPMENT DIVISION, DEPARTMENT OF PLANNING ECONOMIC DEVELOPMENT";

Hse. Com. No. 345 - H.B. No. 2624-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII INDUSTRIAL DEVELOPMENT CORPORATION";

Hse. Com. No. 346 - H.B. No. 2626-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO VEHICLE WEIGHT";

Hse. Com. No. 347 - H.B. No. 2661-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR MINORITY PROGRAMS TO THE UNIVERSITY OF HAWAII";

Hse. Com. No. 348 - H.B. No. 2694-86, H.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR STATE MUSICAL PERFORMANCES";

Hse. Com. No. 349 - H.B. No. 2698-86, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION";

Hse. Com. No. 350 - H.B. No. 2705-86, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PROVISION OF SUBSTANCE ABUSE SERVICES";

Hse. Com. No. 351 - H.B. No. 2722-86, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTORS";

Hse. Com. No. 352 - H.B. No. 2752-86,  
H.D. 1, entitled: "A BILL FOR AN ACT  
MAKING AN APPROPRIATION FOR THE  
'DIAL LAW' PROGRAM OF THE HAWAII  
BAR ASSOCIATION";

Hse. Com. No. 353 - H.B. No. 2800-86,  
H.D. 2, entitled: "A BILL FOR AN ACT  
RELATING TO LIABILITY INSURANCE";

Hse. Com. No. 354 - H.B. No. 2805-86,  
H.D. 1, entitled: "A BILL FOR AN ACT

RELATING TO TAXATION"; and

Hse. Com. No. 355 - H.B. No. 2844-86,  
H.D. 2, entitled: "A BILL FOR AN ACT  
RELATING TO ESCROW DEPOSITORIES."

#### ADJOURNMENT

At 11:56 o'clock p.m., on motion by  
Senator Cobb, seconded by Senator Soares  
and carried, the Senate adjourned until  
12:01 o'clock a.m., Thursday, March 6, 1986.