THIRTY-EIGHTH DAY

Tuesday, March 28, 1995

The Senate of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1995, convened at 11:41 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Kobun Yachi, Jodo Mission of Hawaii, after which the Roll was called showing all Senators present with the exception of Senator Ige who was excused.

The President announced that he had read and approved the Journal of the Thirty-Seventh Day.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 217 to 246) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 217, dated March 9, 1995, transmitting the Convention Center Authority Marketing Report, prepared by the Convention Center Authority, Department of Business, Economic Development, and Tourism, pursuant to H.C.R. No. 276 (1994), was placed on file.

Gov. Msg. No. 218, submitting for consideration and confirmation to the Board of Directors, Aloha Tower Development Corporation, the nomination of RONALD C. WO, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 219, submitting for consideration and confirmation to the Board of Barbers, the nomination of BARBARA M. KOKUBUN, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 220, submitting for consideration and confirmation to the State Boxing Commission of Hawaii, the nomination of EIICHI JUMAWAN, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 221, submitting for consideration and confirmation to the State Board of Chiropractic Examiners, the nomination of LINDSEY J. KIMURA, D.C., term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 222, submitting for consideration and confirmation to the Civil Defense Advisory Council, the nominations of GABRIEL K. KILAKALUA JR. and ALBERT "BENNY" RODERO, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 223, submitting for consideration and confirmation to the Board of Cosmetology, the nomination of EDNA H. KANO, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 224, submitting for consideration and confirmation to the Credit Union Review Board, the nominations of BARTON M. SAXTON, RALPH Y. FUJINAKA and MILTON W.Y. LUM, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 225, submitting for consideration and confirmation to the State Foundation on Culture and the Arts, the nomination of PAULA ZOE HELFRICH, term

to expire June 30, 1998, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 226, submitting for consideration and confirmation to the Board of Trustees, Deferred Compensation Plan, the nomination of BRIAN L. SEN, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 227, submitting for consideration and confirmation to the Hawaii Advisory Commission on Drug Abuse and Controlled Substances, the nominations of: GABRIELLE BEMIS BATZER, M.D., AMY I. ESAKI, THOMAS H. KAAIAI, JR., and GEORGE W. READ, Ph.D., terms to expire June 30, 1999; and THEODORE I. SAKAI, term to expire June 30, 1996, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 228, submitting for consideration and confirmation to the Elevator Mechanics Licensing Board, the nominations of GARY M. TAKAHASHI and THEODORE J. YAP, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 229, submitting for consideration and confirmation to the Board of Trustees, Employees' Retirement System, the nomination of KOREN K. KUBOTA, term to expire January 1, 2001, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 230, submitting for consideration and confirmation to the Board of Trustees, Hawaii Public Employees Health Fund, the nominations of: JOAN C. ISHIBASHI, term to expire June 30, 1996; and RITVA SINIKKA HAYASAKA, GEORGE BUTTERFIELD and JOHN J. WITECK, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 231, submitting for consideration and confirmation to the Hawaii Tourism Marketing Council, the nominations of SANDRA K.M. ALBANO, WAYNE K. KATAYAMA, DONN J. TAKAHASHI, CHA THOMPSON and GAE BERGQUIST TROMMALD, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 232, submitting for consideration and confirmation to the Board of Health, the nominations of LIBBY PULELEHUA OSHIYAMA, ALAN T. SUYAMA, M.D., and LILY H. YAMASHIRO, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 233, submitting for consideration and confirmation to the Board of Hearing Aid Dealers and Fitters, the nominations of: MARY NORMA ALLISON, EDWIN S. MATSUI and JACQUELINE KOMO MURAI, terms to expire June 30, 1999; and ROY R KAMISATO, term to expire June 30, 1998, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 234, submitting for consideration and confirmation to the Board of Directors, High Technology Development Corporation, the nominations of THOMAS I. FUJIKAWA, RICHARD A. MOODY and NORMAN H. OKAMURA, Ph.D., terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 235, submitting for consideration and confirmation to the Board of Human Services, the nominations of: ALIKA W. WINCHESTER, term to expire June 30, 1997; and ANGEL RAMOS, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 236, submitting for consideration and confirmation to the Kaho'olawe Island Reserve Commission, the nominations of CRAIG AARON NEFF and BRIAN MISKAE, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 237, submitting for consideration and confirmation to the Kaneohe Bay Regional Council, the nomination of HAROLD H. MEHEULA, SR., term to expire June 30, 1998, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 238, submitting for consideration and confirmation to the Motor Vehicle Industry Licensing Board, the nominations of: IVAN I. NAKANO, term to expire June 30, 1997; and MARK S. OSHIO and LEILA C. TANAKA, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 239, submitting for consideration and confirmation to the Motor Vehicle Repair Industry Board, the nominations of TAREN TAGUCHI and SUSUMU MAEDA, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 240, submitting for consideration and confirmation to the Natural Area Reserves System Commission, the nominations of: ROBERT A. KINZIE III, Ph.D., term to expire June 30, 1996; and LINDA W. PRATT, term to expire June 30, 1998, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 241, submitting for consideration and confirmation to the Board of Examiners in Naturopathy, the nomination of FAITH Y. LEBB, term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 242, submitting for consideration and confirmation to the Board of Examiners in Optometry, the nominations of: MARK S. TERUYA, O.D., NELSON O. YOSHIOKA, JR., O.D., and BARBARA J. DIRKS, O.D., terms to expire June 30, 1999; and MILTON N. HIGA, term to expire June 30, 1998, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 243, submitting for consideration and confirmation to the Board of Osteopathic Examiners, the nomination of RONALD Y. FUJIMOTO, D.O., term to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 244, submitting for consideration and confirmation to the Board of Pharmacy, the nominations of JASON MOON and KENT KOIKE, terms to expire June 30, 1999, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 245, submitting for consideration and confirmation to the Board of Private Detectives and Guards, the nomination of WAYNE G. CARVALHO, term to expire June 30, 1997, was referred to the Committee on Executive and Judicial Appointments.

Gov. Msg. No. 246, informing the Senate that on March 24, 1995, he signed into law Senate Bill No. 888 as Act 5, entitled: "RELATING TO THE COMMISSION

ON SEXUAL ORIENTATION AND THE LAW," was placed on file.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 397 to 401) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 397, returning S.B. No. 304, which passed Third Reading in the House of Representatives on March 24, 1995, in an amended form, was placed on file.

By unanimous consent, action on S.B. No. 304, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," was deferred until Wednesday, March 29, 1995.

Hse. Com. No. 398, returning S.B. No. 305, which passed Third Reading in the House of Representatives on March 24, 1995, in an amended form, was placed on file.

By unanimous consent, action on S.B. No. 305, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE INCOME TAX CREDIT," was deferred until Wednesday, March 29, 1995.

Hse. Com. No. 399, returning S.B. No. 923, which passed Third Reading in the House of Representatives on March 24, 1995, in an amended form, was placed on file.

By unanimous consent, action on S.B. No. 923, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX CREDITS," was deferred until Wednesday, March 29, 1995.

Hse. Com. No. 400, returning S.B. No. 1567, S.D. 1, which passed Third Reading in the House of Representatives on March 24, 1995, in an amended form, was placed on file.

By unanimous consent, action on S.B. No. 1567, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DISHONORED CHECKS," was deferred until Wednesday, March 29, 1995.

Hse. Com. No. 401, returning S.B. No. 1575, which passed Third Reading in the House of Representatives on March 24, 1995, in an amended form, was placed on file.

By unanimous consent, action on S.B. No. 1575, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNDERESTIMATION OF NET INCOME TAX," was deferred until Wednesday, March 29, 1995.

STANDING COMMITTEE REPORTS

Senator Levin, for the Committee on Health, presented a report (Stand Com. Rep. No. 1001) recommending that S.R. No. 8, as amended in S.D. 1, be referred to the Committee on Judiciary.

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 8, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE CREATION OF A TASK FORCE TO STUDY THE MANAGEMENT AND TREATMENT OF INSANITY ACQUITTEES," was referred to the Committee on Judiciary.

Senator Fukunaga, for the Committee on Communications and Public Utilities, presented a report (Stand Com. Rep. No. 1002) recommending that S.R. No. 38, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 38, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ALLOW FOR THE ISSUANCE OF EXEMPT FACILITY BONDS FOR THE FINANCING OF TELECOMMUNICATIONS FACILITIES," was referred to the Committee on Ways and Means.

Senator Fukunaga, for the Committee on Communications and Public Utilities, presented a report (Stand Com. Rep. No. 1003) recommending that S.C.R. No. 45, as amended in S.D. 1, be referred to the Committee on Ways and Means.

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 45, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNITED STATES CONGRESS TO ALLOW FOR THE ISSUANCE OF EXEMPT FACILITY BONDS FOR THE FINANCING OF TELECOMMUNICATIONS FACILITIES," was referred to the Committee on Ways and Means.

Senator Fukunaga, for the Committee on Communications and Public Utilities, presented a report (Stand Com. Rep. No. 1004) recommending that S.R. No. 91 be referred to the Committee on Agriculture, Labor, and Employment.

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 91, entitled: "SENATE RESOLUTION URGING HAWAII'S TELECOMMUNICATION UTILITIES TO ADOPT 'HAWAII JOBS FOR HAWAII'S PEOPLE' POLICIES," was referred to the Committee on Agriculture, Labor, and Employment.

Senator Fukunaga, for the Committee on Communications and Public Utilities, presented a report (Stand Com. Rep. No. 1005) recommending that S.C.R. No. 105 be referred to the Committee on Agriculture, Labor, and Employment.

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 105, entitled: "SENATE CONCURRENT RESOLUTION URGING HAWAII'S TELECOMMUNICATION UTILITIES TO ADOPT 'HAWAII JOBS FOR HAWAII'S PEOPLE' POLICIES," was referred to the Committee on Agriculture, Labor, and Employment.

Senator Matsuura, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 1006) recommending that S.R. No. 121 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1006 and S.R. No. 121, entitled: "SENATE RESOLUTION REQUESTING THAT THE OFFICE OF CHILDREN AND YOUTH DEVELOP A STRATEGIC PLAN OF ACTION AND A TIMETABLE FOR IMPLEMENTATION TO EFFECTUATE THE SYSTEMATIC REVIEW AND RESTRUCTURING OF ITS OPERATIONS," was deferred until Wednesday, March 29, 1995.

Senator Matsuura, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 1007) recommending that S.C.R. No. 138 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1007 and S.C.R. No. 138, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT THE OFFICE OF CHILDREN AND YOUTH DEVELOP

A STRATEGIC PLAN OF ACTION AND A TIMETABLE FOR IMPLEMENTATION TO EFFECTUATE THE SYSTEMATIC REVIEW AND RESTRUCTURING OF ITS OPERATIONS," was deferred until Wednesday, March 29, 1995.

Senators Matsuura and Levin, for the Committee on Human Services and the Committee on Health, presented a joint report (Stand. Com. Rep. No. 1008) recommending that S.R. No. 141, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1008 and S.R. No. 141, S.D. 1, entitled: "SENATE RESOLUTION REQUESTING AN INTERIM SESSION COLLABORATIVE PROCESS BETWEEN THE DEPARTMENT OF EDUCATION, DEPARTMENT OF HEALTH, DEPARTMENT OF HUMAN SERVICES, JUDICIARY, OFFICE OF CHILDREN AND YOUTH, OFFICE OF YOUTH SERVICES, AND PRIVATE SECTOR PROVIDERS OF SERVICES TO FAMILIES AND CHILDREN IN EARLY CHILDHOOD TO ESTABLISH A PRO-FAMILY PREVENTIVE SERVICE SYSTEM," was deferred until Wednesday, March 29, 1995.

Senators Matsuura and Levin, for the Committee on Human Services and the Committee on Health, presented a joint report (Stand. Com. Rep. No. 1009) recommending that S.C.R. No. 161, as amended in S.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 1009 and S.C.R. No. 161, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING AN INTERIM SESSION COLLABORATIVE PROCESS BETWEEN THE DEPARTMENT OF EDUCATION, DEPARTMENT OF HEALTH, DEPARTMENT OF HUMAN SERVICES, JUDICIARY, OFFICE OF CHILDREN AND YOUTH, OFFICE OF YOUTH SERVICES, AND PRIVATE SECTOR PROVIDERS OF SERVICES TO FAMILIES AND CHILDREN IN EARLY CHILDHOOD TO ESTABLISH A PRO-FAMILY PREVENTIVE SERVICE SYSTEM," was deferred until Wednesday, March 29, 1995.

ORDER OF THE DAY

MATTERS DEFERRED FROM FRIDAY, MARCH 24, 1995

ADOPTION OF RESOLUTIONS

Stand. Com. Rep. No. 856 (S.R. No. 66):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 66, entitled: "SENATE RESOLUTION URGING CONGRESS TO MAINTAIN TITLE III, NUTRITION SERVICES FUNDING AND OTHER SUPPORTIVE SERVICES WITHIN THE OLDER AMERICANS ACT," was adopted.

Stand. Com. Rep. No. 857 (S.C.R. No. 78):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 78, entitled: "SENATE CONCURRENT RESOLUTION URGING CONGRESS TO MAINTAIN TITLE III, NUTRITION SERVICES FUNDING AND OTHER SUPPORTIVE SERVICES WITHIN THE OLDER AMERICANS ACT," was adopted.

Stand. Com. Rep. No. 858 (S.R. No. 68):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 68, entitled: "SENATE RESOLUTION REQUESTING THE MEMBERS OF HAWAII'S CONGRESSIONAL DELEGATION TO INTRODUCE LEGISLATION TO PROVIDE FOR THE EXTENSION OF THE THREE-YEAR PERIOD OF SPONSORSHIP OF IMMIGRANTS," was adopted.

Stand. Com. Rep. No. 859 (S.C.R. No. 81):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 81, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE MEMBERS OF HAWAII'S CONGRESSIONAL DELEGATION TO INTRODUCE LEGISLATION TO PROVIDE FOR THE EXTENSION OF THE THREE-YEAR PERIOD OF SPONSORSHIP OF IMMIGRANTS," was adopted.

Stand. Com. Rep. No. 860 (S.R. No. 69):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 69, entitled: "SENATE RESOLUTION SUPPORTING THE 1995 MINI INTERFAITH WHITE HOUSE CONFERENCE ON AGING REPORT 'SPIRITUAL DIMENSIONS IN AGING'," was adopted.

Stand. Com. Rep. No. 861 (S.C.R. No. 82):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 82, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE 1995 MINI INTERFAITH WHITE HOUSE CONFERENCE ON AGING REPORT 'SPIRITUAL DIMENSIONS IN AGING'," was adopted.

Stand. Com. Rep. No. 862 (S.R. No. 70):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 70, entitled: "SENATE RESOLUTION SUPPORTING HAWAII'S DELEGATION TO THE 1995 WHITE HOUSE CONFERENCE ON AGING," was adopted.

Stand. Com. Rep. No. 863 (S.C.R. No. 83):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 83, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING HAWAII'S DELEGATION TO THE 1995 WHITE HOUSE CONFERENCE ON AGING," was adopted.

Stand. Com. Rep. No. 864 (S.R. No. 101, S.D. 1):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 101, S.D. 1, entitled: "SENATE RESOLUTION SUPPORTING THE WIC PROGRAM AND ADEQUATE NUTRITION FOR PREGNANT WOMEN, NURSING MOTHERS, INFANTS, AND CHILDREN UNDER FIVE YEARS OF AGE," was adopted.

Stand. Com. Rep. No. 865 (S.C.R. No. 115, S.D. 1):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 115, S.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE WIC PROGRAM AND ADEQUATE NUTRITION FOR PREGNANT WOMEN, NURSING MOTHERS,

INFANTS, AND CHILDREN UNDER FIVE YEARS OF AGE," was adopted.

Stand, Com. Rep. No. 866 (S.R. No. 106):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 106, entitled: "SENATE RESOLUTION SUPPORTING THE HAWAII LONG-TERM CARE REFORM TASK FORCE," was adopted.

Stand. Com. Rep. No. 867 (S.C.R. No. 121):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 121, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE HAWAII LONGTERM CARE REFORM TASK FORCE," was adopted.

Stand. Com. Rep. No. 868 (S.R. No. 133):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.R. No. 133, entitled: "SENATE RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO SUPPORT THE CONTINUATION OF COMMUNITY ACTION IN THE STATE OF HAWAII," was adopted.

Stand. Com. Rep. No. 869 (S.C.R. No. 150):

On motion by Senator Ihara, seconded by Senator Liu and carried, the report of the Committee was adopted and S.C.R. No. 150, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING HAWAII'S CONGRESSIONAL DELEGATION TO SUPPORT THE CONTINUATION OF COMMUNITY ACTION IN THE STATE OF HAWAII," was adopted.

AGREE/DISAGREE AND APPOINTMENT OF CONFEREES

S.B. No. 87, S.D. 1 (H.D. 1):

On motion by Senator Graulty, seconded by Senator McCartney and carried, the Senate disagreed to the amendments proposed by the House to S.B. No. 87, S.D. 1, and requested a conference on the subject matter thereof.

In accordance therewith, the President appointed Senators Graulty, chairman, Chumbley, McCartney, Tam as managers on the part of the Senate at such conference.

THIRD READING

H.B. No. 759, H.D. 1, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Fukunaga and carried, H.B. No. 759, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIER LAW ENFORCEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1581:

By unanimous consent, action on H.B. No. 1581, entitled: "A BILL FOR AN ACT RELATING TO ADULT AND COMMUNITY EDUCATION," was deferred until Wednesday, March 29, 1995.

Stand. Com. Rep. No. 899 (H.B. No. 2133, H.D. 2, S.D. 1):

Senator Ikeda moved that Stand. Com. Rep. No. 899 be adopted and H.B. No. 2133, H.D. 2, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Kanno rose in support of the measure as follows:

"Mr. President, I'd like to speak in favor of the measure.

"Mr. President, the measure before us to address workers' compensation reform is an important one for all of us to look at. We've been hearing the cries of businesses throughout the State of Hawaii loud and clear. Our commitment is to address the problems in workers' compensation through this legislation. The problems in workers' compensation are not small and cannot be totally addressed by one piece of legislation. We work in partnership with the administration, the Department of Labor and the Department of Human Resources Development, in addressing the concerns of businesses and workers throughout the state, in terms of getting health care and assistance when workers are injured.

"The legislation before us focuses on two areas where there is agreement from a number of parties on how we can bring down costs in workers' compensation. First of all, there is almost universal agreement in the area of medical costs; that it is the number one cost driver in the workers' compensation system. The bill addresses the out-of-control medical fee schedule by resetting it at a starting point of 120 percent of Medicare and allows the director of the labor department to adjust accordingly where the Medicare fee schedule is out of line.

"Secondly, the bill addresses the assigned risk pool. This is an area where small businesses -- through no fault of their own, some with perfectly clean injury records -- may lose their current workers' compensation coverage and be thrown into the assigned risk pool with those hard-to-insure businesses. Many of them see their premiums jump two-, three-, and sometimes four-fold.

"The bill addresses the assigned risk pool by directing the Legislative Auditor to study the way insurance carriers provide coverage in this area, as well as providing controls to address innocent businesses being thrown into the assigned risk pool.

"Mr. President, we have five weeks before the end of session and I would like us to consider this measure as a step toward reaching compromise and consensus, as we look for those areas of agreement from the parties involved in workers' compensation. I look forward to working cooperatively with members of this body and the House in reaching a measure that will bring down costs to help Hawaii's businesses.

"I would like to close by asking my colleagues to vote 'yes' on this measure. Thank you."

Senator Anderson rose in support of the measure as follows:

"Mr. President, I'm going to vote for the bill but I have some reservations. One -- we wiped out a group of doctors with one brush of the pen, and I believe that we have to look at the fee scheduling to help that. And I know that it is a cost driver, but I think the way we handled it could have been done a little better by trying to work out different compromises.

"Also, a cost driver that we didn't even look at are attorneys' fees. There's got to be a way that when you

settle out of court, the attorneys do not get the dollars that they are getting. That has been a big factor. I talked to many people not only in the insurance division, but also people who have had out-of-court settlements and they have said that it cost them a great deal out-of-pocket.

"Also, there are about 2,000 cases, I understand, that are going to be contested. I think we have to look at that

"Other than that, Mr. President, I'm sure that the chairman of the committee and all of the people that will be making recommendations to bring the cost down will be looking at the best for the community and I'd like to see that all of our colleagues vote for this because it is going to be beneficial to everyone. Thank you."

Senator Tam then rose and said:

"Mr. President, please register my vote with reservations at this time. I realize that this bill will be going to conference. Thank you."

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 899 was adopted and H.B. No. 2133, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION REFORM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 149:

By unanimous consent, H.B. No. 149, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," was recommitted to the Committee on Judiciary.

H.B. No. 357, H.D. 1, S.D. 1:

By unanimous consent, action on H.B. No. 357, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT PROBATION RECORDS," was deferred until Wednesday, March 29, 1995.

H.B. No. 1221:

By unanimous consent, action on H.B. No. 1221, "A BILL FOR AN ACT RELATING TO entitled: STATUTORY REVISION: AMENDING. REPEALING REENACTING, OR VARIOUS PROVISIONS OF THE HAWAII REVISED STATUTES AND THE SESSION LAWS OF HAWAII FOR THE PURPOSE OF CORRECTING **ERRORS** REFERENCES, CLARIFYING LANGUAGE, DELETING **OBSOLETE** OR UNNECESSARY PROVISIONS," was deferred until Wednesday, March 29, 1995.

H.B. No. 1863:

By unanimous consent, action on H.B. No. 1863, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC AGENCY MEETINGS," was deferred until Wednesday, March 29, 1995.

H.B. No. 895, H.D. 1, S.D. 1:

On motion by Senator Levin, seconded by Senator Matsuura and carried, H.B. No. 895, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 1173, H.D. 1, S.D. 1:

adjourned until 11:30 o'clock a.m., Wednesday, March 29, 1995.

On motion by Senator Fernandes Salling, seconded by Senator Tanaka and carried, H.B. No. 1173, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

H.B. No. 2352, S.D. 1:

On motion by Senator Fernandes Salling, seconded by Senator Tanaka and carried, H.B. No. 2352, 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 (Ige).

H.B. No. 252, H.D. 1, S.D. 1:

On motion by Senator Tanaka, seconded by Senator Solomon and carried, H.B. No. 252, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

RE-REFERRAL OF SENATE CONCURRENT RESOLUTIONS

The President re-referred the following Senate concurrent resolutions that were offered:

Senate

Concurrent

Resolution

Referred to:

No. 102 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means

No. 199 Jointly to the Committee on Planning, Land and Water Use Management and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means

RE-REFERRAL OF SENATE RESOLUTIONS

The President re-referred the following Senate resolutions that were offered:

Senate

Resolution

Referred to:

No. 88 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means

No. 175 Jointly to the Committee on Planning, Land and Water Use Management and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means

ADJOURNMENT

At 11:57 o'clock a.m., on motion by Senator Ihara, seconded by Senator Liu and carried, the Senate