

## FOURTH DAY

Monday, January 22, 1996

The Senate of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, convened at 9:38 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Reverend Stanley Amos, Trinity Missionary Baptist Church, after which the Roll was called showing all Senators present with the exception of Senator Aki who was excused.

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

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 104 to 109) were read by the Clerk and were placed on file:

Gov. Msg. No. 104, dated January 8, 1996, transmitting a report prepared by the Department of Health pursuant to Act 218, Section 33, SLH 1995, requesting a report from the Director of Health detailing the status of the Hawaii Ohana Project and the progress of the grant in establishing a community-based model for the provision of mental health services.

Gov. Msg. No. 105, dated December 11, 1995, transmitting testimony submitted on April 20, 1995, by the Department of Taxation in response to H.C.R. No. 338 (1995), urging the establishment of the State of Hawaii as a free-trade zone.

Gov. Msg. No. 106, dated December 28, 1995, transmitting a report prepared by the University of Hawaii pursuant to Act 218, SLH 1995, on the study of the college opportunities program.

Gov. Msg. No. 107, dated January 10, 1996, transmitting a report pursuant to Sections 77-4 and 77-5, HRS, on the compensation plans for blue and white collar classes.

Gov. Msg. No. 108, dated January 10, 1996, transmitting the "Report of Findings on Adjustments to the Compensation Plans," prepared by the Public Employees Compensation Appeals Board, pursuant to Sections 77-4 and 77-5, HRS.

Gov. Msg. No. 109, dated January 11, 1996, transmitting the 1995 Annual Report prepared by the Office of Collective Bargaining, pursuant to Section 352D-6, HRS, and Act 151, Section 4, SLH 1991.

## DEPARTMENTAL COMMUNICATIONS

The following communications (Dept. Com. Nos. 21 and 22) were read by the Clerk and were placed on file:

Dept. Com. No. 21, from the Office of the Administrative Director of the Courts dated January 16, 1996, transmitting replacement pages for the annual status report on Act 214, SLH 1993 and Chapter 291D, HRS, submitted on January 11, 1996, relating to traffic violations enforcement.

Dept. Com. No. 22, from the Department of Budget and Finance dated January 9, 1996, transmitting a report, "Transfers from Non-General Funds to General Fund, Fiscal Year 1995-96, Sept. 95 - Dec. 95," pursuant to Act 15, Special Session 1995.

## ORDER OF THE DAY

## REFERRAL OF SENATE BILLS

The President made the following committee assignments of bills introduced on Thursday, January 18, 1996 and Friday, January 19, 1996:

Senate Bill	Referred to:
No. 2130	Committee on Transportation and Government Affairs, then to the Committee on Ecology and Environmental Protection
No. 2131	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
No. 2132	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
No. 2133	Committee on Planning, Land and Water Use Management, then to the Committee on Ways and Means
No. 2134	Committee on Health, then to the Committee on Ways and Means
No. 2135	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Planning, Land and Water Use Management
No. 2136	Committee on Transportation and Government Affairs
No. 2137	Committee on Consumer Protection
No. 2138	Committee on Health, then to the Committee on Judiciary
No. 2139	Committee on Health, then to the Committee on Ways and Means
No. 2140	Committee on Planning, Land and Water Use Management
No. 2141	Committee on Agriculture, Labor, and Employment
No. 2142	Committee on Consumer Protection
No. 2143	Committee on Consumer Protection
No. 2144	Committee on Planning, Land and Water Use Management
No. 2145	Committee on Education, then to the Committee on Ways and Means
No. 2146	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2147	Committee on Education
No. 2148	Committee on Planning, Land and Water Use Management
No. 2149	Committee on Health, then to the Committee on Ways and Means

- No. 2150 Committee on Planning, Land and Water Use Management, then to the Committee on Ways and Means
- No. 2151 Jointly to the Committee on Education and the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2152 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2153 Committee on Judiciary
- No. 2154 Jointly to the Committee on Transportation and Government Affairs and the Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2155 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2156 Committee on Transportation and Government Affairs, then to the Committee on Judiciary
- No. 2157 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2158 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2159 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2160 Committee on Ways and Means
- No. 2161 Committee on Consumer Protection, then to the Committee on Judiciary
- No. 2162 Committee on Transportation and Government Affairs
- No. 2163 Committee on Consumer Protection
- No. 2164 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2165 Committee on Consumer Protection
- No. 2166 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2167 Committee on Agriculture, Labor, and Employment
- No. 2168 Committee on Agriculture, Labor, and Employment
- No. 2169 Committee on Agriculture, Labor, and Employment
- No. 2170 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2171 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2172 Committee on Agriculture, Labor, and Employment
- No. 2173 Committee on Agriculture, Labor, and Employment
- No. 2174 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2175 Committee on Agriculture, Labor, and Employment
- No. 2176 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2177 Committee on Planning, Land and Water Use Management, then to the Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2178 Committee on Transportation and Government Affairs, then to the Committee on Consumer Protection
- No. 2179 Committee on Planning, Land and Water Use Management
- No. 2180 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2181 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2182 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2183 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2184 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2185 Committee on Housing, then to the Committee on Ways and Means
- No. 2186 Committee on Judiciary
- No. 2187 Committee on Judiciary
- No. 2188 Committee on Judiciary
- No. 2189 Committee on Judiciary
- No. 2190 Committee on Judiciary
- No. 2191 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2192 Committee on Agriculture, Labor, and Employment
- No. 2193 Jointly to the Committee on Transportation and Government Affairs and the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2194 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2195 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2196 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means

- No. 2197 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2198 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2199 Committee on Ecology and Environmental Protection
- No. 2200 Committee on Transportation and Government Affairs
- No. 2201 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2202 Committee on Housing, then to the Committee on Ways and Means
- No. 2203 Committee on Human Services, then to the Committee on Ways and Means
- No. 2204 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2205 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2206 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2207 Committee on Education, then to the Committee on Ways and Means
- No. 2208 Committee on Education, then to the Committee on Ways and Means
- No. 2209 Committee on Education, then to the Committee on Ways and Means
- No. 2210 Committee on Education, then to the Committee on Ways and Means
- No. 2211 Committee on Education, then to the Committee on Ways and Means
- No. 2212 Committee on Education, then to the Committee on Judiciary
- No. 2213 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2214 Jointly to the Committee on Ecology and Environmental Protection and the Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2215 Committee on Health, then to the Committee on Ways and Means
- No. 2216 Committee on Human Services, then to the Committee on Judiciary
- No. 2217 Committee on Transportation and Government Affairs
- No. 2218 Committee on Agriculture, Labor, and Employment, then to the Committee on Transportation and Government Affairs
- No. 2219 Committee on Higher Education, Culture, and Arts, then to the Committee on Judiciary
- No. 2220 Committee on Health, then to the Committee on Transportation and Government Affairs
- No. 2221 Committee on Ways and Means
- No. 2222 Committee on Education, then to the Committee on Ways and Means
- No. 2223 Committee on Ways and Means
- No. 2224 Committee on Human Services, then to the Committee on Ways and Means
- No. 2225 Committee on Ways and Means
- No. 2226 Jointly to the Committee on Higher Education, Culture, and Arts and the Committee on Economic Development, then to the Committee on Ways and Means
- No. 2227 Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means
- No. 2228 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2229 Jointly to the Committee on Communications and Public Utilities and the Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2230 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2231 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2232 Committee on Judiciary
- No. 2233 Committee on Judiciary
- No. 2234 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2235 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2236 Committee on Transportation and Government Affairs
- No. 2237 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2238 Jointly to the Committee on Economic Development and the Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2239 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2240 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2241 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2242 Committee on Hawaiian Affairs, then to the Committee on Agriculture, Labor, and Employment
- No. 2243 Committee on Education, then to the Committee on Ways and Means

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No. 2244	Committee on Education	No. 2276	Committee on Consumer Protection, then to the Committee on Ways and Means
No. 2245	Committee on Consumer Protection, then to the Committee on Judiciary	No. 2277	Committee on Tourism and Recreation, then to the Committee on Ways and Means
No. 2246	Jointly to the Committee on Consumer Protection and the Committee on Judiciary, then to the Committee on Ways and Means	No. 2278	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2247	Committee on Judiciary	No. 2279	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2248	Committee on Judiciary	No. 2280	Committee on Health, then to the Committee on Consumer Protection
No. 2249	Committee on Judiciary	No. 2281	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2250	Committee on Judiciary	No. 2282	Committee on Education, then to the Committee on Ways and Means
No. 2251	Committee on Judiciary	No. 2283	Committee on Health, then to the Committee on Consumer Protection
No. 2252	Committee on Judiciary	No. 2284	Committee on Consumer Protection
No. 2253	Committee on Judiciary	No. 2285	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2254	Committee on Judiciary	No. 2286	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2255	Committee on Planning, Land and Water Use Management	No. 2287	Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means
No. 2256	Committee on Ways and Means	No. 2288	Jointly to the Committee on Judiciary and the Committee on Consumer Protection, then to the Committee on Ways and Means
No. 2257	Committee on Consumer Protection	No. 2289	Committee on Consumer Protection, then to the Committee on Ways and Means
No. 2258	Committee on Planning, Land and Water Use Management, then to the Committee on Judiciary	No. 2290	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2259	Committee on Judiciary	No. 2291	Committee on Transportation and Government Affairs
No. 2260	Jointly to the Committee on Judiciary and the Committee on Education, then to the Committee on Ways and Means	No. 2292	Committee on Judiciary
No. 2261	Committee on Judiciary, then to the Committee on Ways and Means	No. 2293	Committee on Planning, Land and Water Use Management, then to the Committee on Judiciary
No. 2262	Committee on Judiciary	No. 2294	Committee on Judiciary, then to the Committee on Ways and Means
No. 2263	Committee on Judiciary	No. 2295	Committee on Judiciary
No. 2264	Committee on Judiciary, then to the Committee on Ways and Means	No. 2296	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2265	Committee on Transportation and Government Affairs	No. 2297	Committee on Judiciary, then to the Committee on Ways and Means
No. 2266	Committee on Judiciary	No. 2298	Committee on Judiciary
No. 2267	Committee on Consumer Protection	No. 2299	Committee on Judiciary
No. 2268	Committee on Ways and Means	No. 2300	Committee on Judiciary, then to the Committee on Ways and Means
No. 2269	Committee on Ways and Means		
No. 2270	Committee on Ways and Means		
No. 2271	Committee on Ways and Means		
No. 2272	Committee on Consumer Protection		
No. 2273	Committee on Ways and Means		
No. 2274	Committee on Ways and Means		
No. 2275	Committee on Transportation and Government Affairs, then to the Committee on Judiciary		

No. 2301	Committee on Judiciary	No. 2329	Committee on Consumer Protection
No. 2302	Committee on Consumer Protection, then to the Committee on Ways and Means	No. 2330	Committee on Judiciary, then to the Committee on Ways and Means
No. 2303	Committee on Judiciary, then to the Committee on Ways and Means	No. 2331	Committee on Judiciary, then to the Committee on Ways and Means
No. 2304	Committee on Human Services, then to the Committee on Ways and Means	No. 2332	Committee on Agriculture, Labor, and Employment, then to the Committee on Judiciary
No. 2305	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means	No. 2333	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2306	Committee on Judiciary	No. 2334	Committee on Judiciary
No. 2307	Committee on Judiciary	No. 2335	Committee on Agriculture, Labor, and Employment, then to the Committee on Judiciary
No. 2308	Committee on Communications and Public Utilities, then to the Committee on Transportation and Government Affairs, then to the Committee on Ways and Means	No. 2336	Committee on Judiciary
No. 2309	Committee on Education, then to the Committee on Ways and Means	No. 2337	Committee on Judiciary
No. 2310	Committee on Education, then to the Committee on Ways and Means	No. 2338	Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
No. 2311	Committee on Education, then to the Committee on Ways and Means	No. 2339	Committee on Judiciary
No. 2312	Committee on Education, then to the Committee on Ways and Means	No. 2340	Committee on Tourism and Recreation, then to the Committee on Judiciary
No. 2313	Committee on Education, then to the Committee on Ways and Means	No. 2341	Committee on Higher Education, Culture, and Arts
No. 2314	Committee on Education, then to the Committee on Ways and Means	No. 2342	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
No. 2315	Committee on Education, then to the Committee on Ways and Means	No. 2343	Committee on Judiciary
No. 2316	Committee on Planning, Land and Water Use Management, then to the Committee on Agriculture, Labor, and Employment	No. 2344	Committee on Tourism and Recreation, then to the Committee on Judiciary
No. 2317	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2345	Jointly to the Committee on Tourism and Recreation and the Committee on Economic Development, then to the Committee on Ways and Means
No. 2318	Committee on Consumer Protection	No. 2346	Committee on Transportation and Government Affairs, then to the Committee on Judiciary
No. 2319	Committee on Health, then to the Committee on Ways and Means	No. 2347	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
No. 2320	Committee on Transportation and Government Affairs	No. 2348	Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
No. 2321	Committee on Judiciary	No. 2349	Committee on Education, then to the Committee on Ways and Means
No. 2322	Committee on Judiciary, then to the Committee on Ways and Means	No. 2350	Committee on Human Services
No. 2323	Committee on Judiciary	No. 2351	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2324	Committee on Judiciary	No. 2352	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2325	Committee on Judiciary	No. 2353	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2326	Committee on Judiciary		
No. 2327	Committee on Hawaiian Affairs, then to the Committee on Ways and Means		
No. 2328	Committee on Education		

- No. 2354 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2355 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2356 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2357 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2358 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2359 Committee on Agriculture, Labor, and Employment, then to the Committee on Judiciary
- No. 2360 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2361 Committee on Judiciary
- No. 2362 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
- No. 2363 Committee on Education, then to the Committee on Ways and Means
- No. 2364 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2365 Committee on Transportation and Government Affairs
- No. 2366 Committee on Education, then to the Committee on Ways and Means
- No. 2367 Committee on Education, then to the Committee on Ways and Means
- No. 2368 Committee on Education, then to the Committee on Judiciary
- No. 2369 Jointly to the Committee on Education and the Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2370 Committee on Education, then to the Committee on Ways and Means
- No. 2371 Committee on Education, then to the Committee on Ways and Means
- No. 2372 Jointly to the Committee on Higher Education, Culture, and Arts and the Committee on Education, then to the Committee on Ways and Means
- No. 2373 Committee on Education, then to the Committee on Ways and Means
- No. 2374 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2375 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2376 Committee on Education
- No. 2377 Committee on Transportation and Government Affairs, then to the Committee on Judiciary
- No. 2378 Committee on Education, then to the Committee on Ways and Means
- No. 2379 Committee on Judiciary
- No. 2380 Committee on Education
- No. 2381 Committee on Judiciary
- No. 2382 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2383 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2384 Committee on Tourism and Recreation, then to the Committee on Ways and Means
- No. 2385 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2386 Committee on Health, then to the Committee on Ways and Means
- No. 2387 Jointly to the Committee on Health and the Committee on Agriculture, Labor, and Employment, then to the Committee on Planning, Land and Water Use Management
- No. 2388 Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Ways and Means
- No. 2389 Committee on Judiciary
- No. 2390 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2391 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2392 Committee on Health, then to the Committee on Ways and Means
- No. 2393 Committee on Health, then to the Committee on Ways and Means
- No. 2394 Committee on Health, then to the Committee on Judiciary
- No. 2395 Committee on Health, then to the Committee on Judiciary
- No. 2396 Committee on Health, then to the Committee on Judiciary
- No. 2397 Committee on Education, then to the Committee on Ways and Means
- No. 2398 Jointly to the Committee on Communications and Public Utilities and the Committee on Consumer Protection
- No. 2399 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2400 Jointly to the Committee on Communications and Public Utilities and the Committee on Transportation and Government Affairs

- No. 2401 Committee on Communications and Public Utilities, then to the Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2402 Committee on Economic Development, then to the Committee on Ways and Means
- No. 2403 Jointly to the Committee on Economic Development and the Committee on Communications and Public Utilities, then to the Committee on Ways and Means
- No. 2404 Committee on Economic Development, then to the Committee on Ways and Means
- No. 2405 Committee on Economic Development, then to the Committee on Communications and Public Utilities
- No. 2406 Committee on Economic Development, then to the Committee on Ways and Means
- No. 2407 Jointly to the Committee on Economic Development and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means
- No. 2408 Committee on Economic Development, then to the Committee on Ways and Means
- No. 2409 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
- No. 2410 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2411 Committee on Judiciary
- No. 2412 Committee on Agriculture, Labor, and Employment
- No. 2413 Committee on Judiciary
- No. 2414 Committee on Health
- No. 2415 Committee on Human Services, then to the Committee on Judiciary
- No. 2416 Committee on Judiciary
- No. 2417 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2418 Jointly to the Committee on Consumer Protection and the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2419 Committee on Judiciary
- No. 2420 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2421 Committee on Hawaiian Affairs, then to the Committee on Ways and Means
- No. 2422 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2423 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2424 Jointly to the Committee on Education and the Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2425 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2426 Committee on Education, then to the Committee on Ways and Means
- No. 2427 Committee on Ways and Means
- No. 2428 Committee on Ways and Means
- No. 2429 Committee on Ways and Means
- No. 2430 Committee on Transportation and Government Affairs
- No. 2431 Committee on Transportation and Government Affairs
- No. 2432 Committee on Transportation and Government Affairs
- No. 2433 Committee on Transportation and Government Affairs
- No. 2434 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2435 Committee on Consumer Protection
- No. 2436 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2437 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2438 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2439 Committee on Consumer Protection
- No. 2440 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2441 Committee on Health, then to the Committee on Ways and Means
- No. 2442 Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means
- No. 2443 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2444 Committee on Health, then to the Committee on Ways and Means
- No. 2445 Committee on Consumer Protection
- No. 2446 Committee on Education
- No. 2447 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2448 Committee on Judiciary
- No. 2449 Committee on Transportation and Government Affairs, then to the Committee on Judiciary
- No. 2450 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
- No. 2451 Committee on Ways and Means

No. 2452	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means	No. 2480	Committee on Judiciary
No. 2453	Committee on Tourism and Recreation, then to the Committee on Ways and Means	No. 2481	Committee on Judiciary
No. 2454	Committee on Education, then to the Committee on Ways and Means	No. 2482	Committee on Transportation and Government Affairs
No. 2455	Committee on Planning, Land and Water Use Management	No. 2483	Committee on Transportation and Government Affairs
No. 2456	Committee on Consumer Protection	No. 2484	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2457	Committee on Judiciary, then to the Committee on Ways and Means	No. 2485	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2458	Jointly to the Committee on Planning, Land and Water Use Management and the Committee on Judiciary, then to the Committee on Ways and Means	No. 2486	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2459	Committee on Consumer Protection	No. 2487	Committee on Agriculture, Labor, and Employment, then to the Committee on Judiciary
No. 2460	Committee on Higher Education, Culture, and Arts	No. 2488	Committee on Judiciary, then to the Committee on Transportation and Government Affairs
No. 2461	Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means	No. 2489	Committee on Transportation and Government Affairs
No. 2462	Jointly to the Committee on Education and the Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means	No. 2490	Committee on Judiciary, then to the Committee on Transportation and Government Affairs
No. 2463	Committee on Ways and Means	No. 2491	Committee on Consumer Protection
No. 2464	Committee on Ways and Means	No. 2492	Committee on Judiciary
No. 2465	Committee on Judiciary	No. 2493	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2466	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2494	Committee on Judiciary, then to the Committee on Ways and Means
No. 2467	Committee on Judiciary	No. 2495	Committee on Health, then to the Committee on Judiciary
No. 2468	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2496	Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
No. 2469	Committee on Agriculture, Labor, and Employment, then to the Committee on Judiciary	No. 2497	Committee on Education, then to the Committee on Ways and Means
No. 2470	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2498	Committee on Education, then to the Committee on Ways and Means
No. 2471	Committee on Judiciary	No. 2499	Committee on Education, then to the Committee on Ways and Means
No. 2472	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2500	Committee on Education, then to the Committee on Judiciary
No. 2473	Committee on Transportation and Government Affairs	No. 2501	Committee on Judiciary
No. 2474	Committee on Transportation and Government Affairs, then to the Committee on Judiciary	No. 2502	Committee on Consumer Protection
No. 2475	Committee on Judiciary	No. 2503	Committee on Consumer Protection
No. 2476	Committee on Judiciary	No. 2504	Committee on Housing, then to the Committee on Ways and Means
No. 2477	Committee on Judiciary	No. 2505	Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
No. 2478	Committee on Judiciary	No. 2506	Committee on Housing, then to the Committee on Ways and Means
No. 2479	Committee on Judiciary		



- No. 2507 Committee on Ecology and Environmental Protection, then to the Committee on Planning, Land and Water Use Management
- No. 2508 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2509 Committee on Health, then to the Committee on Judiciary, then to the Committee on Ways and Means
- No. 2510 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Ways and Means
- No. 2511 Committee on Consumer Protection, then to the Committee on Judiciary
- No. 2512 Committee on Ways and Means
- No. 2513 Committee on Economic Development, then to the Committee on Ways and Means
- No. 2514 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2515 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2516 Committee on Consumer Protection
- No. 2517 Committee on Consumer Protection
- No. 2518 Committee on Consumer Protection
- No. 2519 Committee on Consumer Protection
- No. 2520 Committee on Consumer Protection
- No. 2521 Committee on Consumer Protection
- No. 2522 Committee on Health, then to the Committee on Ways and Means
- No. 2523 Committee on Health, then to the Committee on Ways and Means
- No. 2524 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2525 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2526 Committee on Consumer Protection, then to the Committee on Judiciary
- No. 2527 Committee on Ecology and Environmental Protection
- No. 2528 Committee on Health, then to the Committee on Judiciary
- No. 2529 Committee on Transportation and Government Affairs
- No. 2530 Jointly to the Committee on Health and the Committee on Human Services, then to the Committee on Ways and Means
- No. 2531 Committee on Consumer Protection, then to the Committee on Ways and Means
- No. 2532 Committee on Consumer Protection
- No. 2533 Committee on Judiciary
- No. 2534 Jointly to the Committee on Health and the Committee on Ecology and Environmental Protection, then to the Committee on Ways and Means
- No. 2535 Committee on Ecology and Environmental Protection
- No. 2536 Committee on Judiciary
- No. 2537 Committee on Education, then to the Committee on Ways and Means
- No. 2538 Committee on Consumer Protection
- No. 2539 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2540 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2541 Committee on Higher Education, Culture, and Arts, then to the Committee on Ways and Means
- No. 2542 Committee on Human Services, then to the Committee on Planning, Land and Water Use Management
- No. 2543 Jointly to the Committee on Education and the Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means
- No. 2544 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means
- No. 2545 Committee on Transportation and Government Affairs
- No. 2546 Committee on Health, then to the Committee on Judiciary
- No. 2547 Committee on Judiciary
- No. 2548 Committee on Planning, Land and Water Use Management, then to the Committee on Judiciary
- No. 2549 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2550 Committee on Judiciary, then to the Committee on Ways and Means
- No. 2551 Committee on Ways and Means
- No. 2552 Committee on Ways and Means
- No. 2553 Committee on Ways and Means
- No. 2554 Committee on Ways and Means
- No. 2555 Committee on Ways and Means
- No. 2556 Committee on Communications and Public Utilities, then to the Committee on Ways and Means
- No. 2557 Committee on Judiciary
- No. 2558 Committee on Human Services, then to the Committee on Ways and Means

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| <p>No. 2559 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2560 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2561 Committee on Planning, Land and Water Use Management, then to the Committee on Ways and Means</p> <p>No. 2562 Committee on Planning, Land and Water Use Management, then to the Committee on Ways and Means</p> <p>No. 2563 Committee on Planning, Land and Water Use Management, then to the Committee on Ways and Means</p> <p>No. 2564 Committee on Housing, then to the Committee on Ways and Means</p> <p>No. 2565 Committee on Planning, Land and Water Use Management</p> <p>No. 2566 Committee on Education, then to the Committee on Ways and Means</p> <p>No. 2567 Committee on Education, then to the Committee on Judiciary</p> <p>No. 2568 Jointly to the Committee on Agriculture, Labor, and Employment and the Committee on Education, then to the Committee on Ways and Means</p> <p>No. 2569 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2570 Committee on Consumer Protection, then to the Committee on Ways and Means</p> <p>No. 2571 Committee on Judiciary, then to the Committee on Ways and Means</p> <p>No. 2572 Committee on Tourism and Recreation, then to the Committee on Ways and Means</p> <p>No. 2573 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2574 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2575 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2576 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2577 Committee on Agriculture, Labor, and Employment</p> <p>No. 2578 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2579 Committee on Human Services, then to the Committee on Ways and Means</p> <p>No. 2580 Committee on Transportation and Government Affairs, then to the Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2581 Committee on Ways and Means</p> | <p>No. 2582 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means</p> <p>No. 2583 Committee on Transportation and Government Affairs, then to the Committee on Ways and Means</p> <p>No. 2584 Committee on Agriculture, Labor, and Employment, then to the Committee on Ways and Means</p> <p>No. 2585 Committee on Ways and Means</p> <p>No. 2586 Committee on Ways and Means</p> <p>No. 2587 Committee on Ways and Means</p> <p>No. 2588 Committee on Ways and Means</p> <p>No. 2589 Committee on Ways and Means</p> <p>No. 2590 Committee on Ways and Means</p> <p>No. 2591 Committee on Consumer Protection, then to the Committee on Ways and Means</p> |
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**REFERRAL OF  
SENATE CONCURRENT RESOLUTION**

The President made the following committee assignment of a concurrent resolution that was offered on Friday, January 19, 1996:

Senate Concurrent Resolution	Referred to:
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No. 1	Jointly to the Committee on Communications and Public Utilities and the Committee on Consumer Protection
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At 9:43 o'clock a.m., on motion by Senator Ihara, seconded by Senator Liu and carried, the Senate stood in recess subject to the call of the Chair to meet in Joint Session with the House of Representatives, in accordance with House Concurrent Resolution No. 2, to receive the Governor's state of the state address.

**JOINT SESSION**

The Joint Session of the Senate and the House of Representatives of the Eighteenth Legislature of the State of Hawaii, Regular Session of 1996, was called to order at 10:09 o'clock a.m. by the Honorable Joseph Souki, Speaker of the House of Representatives.

At this time, the Speaker welcomed and introduced the following distinguished guests to the members of the Eighteenth Legislature:

Ms. Samantha Cayetano, daughter of Governor Cayetano;

The Honorable Mazie Hirono, Lieutenant Governor of Hawaii. She was presented leis by Senator Les Ihara, Jr., and Representative Dennis Arakaki;

The Honorable Ronald T.Y. Moon, Chief Justice, Hawaii State Supreme Court. He was presented a lei by Senator Malama Solomon;

The Honorable Jeremy Harris, Mayor of the City and County of Honolulu, and Mrs. Harris;

The Honorable Stephen Yamashiro, Mayor of the County of Hawaii;

The Honorable Keiko Bonk-Abramson, Hawaii County Council Chair;

The Honorable Ron Kouchi, Kauai County Council Chair; and

Major General Jan Wepster, Deputy Commander, Army National Guard, USARPAC.

The Speaker then appointed Senators Rosalyn Baker, Mike McCartney and Michael Liu, on behalf of the Senate, and Representatives Paul Oshiro, Tom Okamura and Gene Ward, on behalf of the House of Representatives, to escort the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii, to the rostrum.

Senator Donna Ikeda and Representative Annelle Amaral presented Governor Cayetano with maile and ilima leis.

The Speaker then presented to the members of the Eighteenth Legislature and guests the Honorable Benjamin J. Cayetano, Governor of the State of Hawaii.

The Governor addressed the Joint Session as follows:

"Thank you very much, Mr. Speaker. I was wondering if Earl Anzai is here. Some of you may have noticed his new hair style. I just wanted to say that the rumor that we are shipping him off to Texas is untrue. (Laughter.)

"Good morning and aloha!

"Mr. President, Mr. Speaker, members of the State Legislature, Lt. Governor Hirono, Chief Justice Moon, Mayor Harris, Mayor Yamashiro, members of the City and County Councils, members of the Consular Corps, our friends from the military, honored guests, my fellow citizens:

"Before I begin my second State of the State address, I want to thank my family, my friends, my cabinet, my hardworking cabinet, for the support they gave me over the past year. They were there when I needed them and I will never forget it. In my first State of the State address, I focused almost entirely on the State's budget crisis. This morning, I ask for your indulgence as my address will be a bit longer than last year's. I intend to cover a bit more.

"My administration took office in the midst of the longest economic slump in Hawaii's history. We found ourselves facing the worst fiscal crisis in our State's history.

"After only 45 days in office, we were forced to take action, and we did. First, we cut spending. I gave education the highest priority. The Department of Education was cut only 3.1 percent, the University of Hawaii 8.9 percent, while most other departments experienced cuts ranging from 10 to 22 percent.

"Second, fourteen programs were eliminated and many others were downsized.

"Third, we abolished nearly 1,200 jobs, including 600 warm bodies.

"It was not easy. It was painful. It had to be done, and we did it. Today, there are 2,750 fewer employees in the Executive Branch of the State government than there were one year ago.

"State spending has fallen for the first time in years. Today, the State spends less than it did in 1993.

"We have made good progress toward restructuring. I want to give you some examples.

- The Department of Accounting and General Services has cut the average building time for a classroom by one-third. We think we can do better with your help.
  - The Department of Health, with Transportation and Land and Natural Resources, developed a team approach to permit approvals. In four months, they cleared up a \$400 million backlog in federal Clean Water permits for construction. One of these projects was the \$78 million Ford Island Causeway. Two weeks ago, ground for this project was broken.
  - We cut sick leave and overtime abuse at the prisons, and at Halawa alone, we saved \$1 million in overtime costs.
  - Our Tax Department has been innovative, streamlining the filing process with a one-page individual income tax form. Tax information is now on the Internet. Electronic filing of a tax return is now being developed.
  - Our libraries -- also innovative. Using technology, our libraries have increased by more than seven times the newspapers and magazines local readers can access. There are some wonderful stories at the library. It tells you a little bit about what the human spirit can do when called upon. The Kailua Library, for example, used the innovative self-directed work team approach. This is the approach where the janitor will help the person at the counter, and the person at the counter will help the janitor when time permits. And using that approach, with less people, the Kailua Library increased its reader output from one thousand to two thousand books a day. Today, library hours have been restored to what they were before the fiscal crisis.
  - We have also just implemented a pilot program to put all State bid notices, requests for proposals, and other legal notices on the Internet. When fully implemented, it will save the taxpayers millions of dollars in newspaper advertising costs.
- "Now, let me turn to our current efforts to deal with the budget crisis.
- We propose to consolidate or eliminate State boards, commissions and other bodies which we believe are unnecessary or outmoded.
  - We propose to abolish the Hawaii Labor Relations Board, the old HPERB, the Board of Human Services, the Fisheries Coordinating Council, and other outmoded bodies.
  - We propose to abolish the State Office of Planning and the Office of Children and Youth, moving their necessary functions to appropriate departments.
  - We propose to phase out the Land Court.
  - We propose a single Office of Housing. This will consolidate the Hawaii Housing Authority, the Housing Finance Development Corporation, and the Rental Housing Trust Fund.
  - We propose that the Hawaii Labor and Industrial Relation Appeals Board be restructured so that each

member of the three-member panel can hear cases singularly. This is to reduce their backlog of cases.

- We propose to reform our Civil Service System.

"No other event demonstrated the need for reform more than the recent layoffs of 600 State employees last year. The specter of mostly young and oftentimes excellent State workers being dumped solely on the basis of seniority could be defended, I suppose, thirty years ago when the individual worker had few legal rights to defend him or herself from ruthless employers. Then, seniority was a useful and much needed right. It makes little sense for us today to let this practice continue.

"If we want to make government better, we must reform the Civil Service System to include merit along with seniority as a factor in determining an employee's rights. In this connection, I am truly pleased to know that the Hawaii State Teachers Association and the University of Hawaii Professional Assembly have publicly expressed their support for a merit-based system. To the unions, I say, we are ready and willing to work with you and the Legislature in considering these reforms.

"I cannot tell you today that our fiscal crisis is over. But we are in a better position than we were one year ago. Working together, I think we will do better again next year. We have submitted our financial plan. It has been carefully constructed. If you disagree with our recommendations, we are open to your ideas.

"But in order to avoid massive layoffs, you must replace spending cuts or revenue increases, dollar for dollar. For example, our proposal to save \$47 million through a one-time payroll lag has been criticized. That \$47 million represents approximately 1,300 State jobs.

"We will join and we applaud both the House and Senate in your effort to establish a 'rainy day' fund. This is something that is long overdue and we're happy to join you. We have a constitutional duty to balance the budget. Working together, I know we can do it.

"Let me now turn to discuss some of the priorities of my administration.

"Our ability to fulfill our dreams and meet our responsibilities -- for social services, to protect the environment, to offer each child a quality education -- are all tied in to the strength of our economy. That is why restoring economic momentum is my top priority. I will be releasing a report entitled, Restoring Hawaii's Economic Momentum, prepared by Dr. Seiji Naya. This report covers comprehensively our economic development plan. I urge you to read it because my address today, although extensive, will not be able to cover everything.

"State government cannot spend itself into early recovery. That is a lesson that we have learned. Our hope for economic recovery must come from the private sector. It is the private sector which must be the primary stimulus to the economy, providing jobs and income to our people.

"There are some good signs. Presently, tourism seems to be rebounding. Japanese visitors are returning in greater numbers. And the economic recovery on the mainland should give us yet another boost.

"But much more must be done. Our challenge is to adjust government policies to allow the private sector to recapture its momentum. The first major change is one of attitude toward business. The State government must be a facilitator for the economy and not just a regulator. This requires a major change in the historical 'us against

them' attitude. Government, business, and labor must develop a new attitude of partnership and cooperation. We have begun that process.

"Let me talk about some of our industries.

"Construction. To help the construction industry, we have increased our efficiency in processing permits. In some areas, we have reduced delays for public building projects by at least one-third. These reforms have allowed me to release nearly \$600 million in State capital improvements for schools and other infrastructure by the end of this fiscal year. These reforms will also reduce project costs in the private sector and provide more jobs.

"Housing. We will redefine our housing policy to get the State out of the business of competing with the private sector. The State's main housing responsibility must be to increase rental housing and shelter for the disadvantaged, those whose housing needs are not being met by the private sector.

"In addition to restructuring our housing policy, we will provide incentives to private developers to build rental housing in joint developments with counties, mutual housing associations and non-profit organizations. And we will end the State's well-intended but failed so-called 60-40 affordable housing rule and leave it to the counties to negotiate such details with each developer.

"Workers' Compensation. We will press our efforts to bring down the cost of workers' compensation. We propose setting up a non-profit domestic mutual insurance company, owned and run by the business now in the assigned risk pool. This concept has been successfully used in other states to lower the cost of workers' compensation. We believe it can work in Hawaii.

"Automobile Insurance. One of the hot topics last year, I hope it's not too hot this year. Changes in our workers' compensation medical fee schedule are already reducing automobile insurance premiums. Recently, AIG, a major automobile insurance company, announced it would reduce premiums by 25 percent. We have our own proposal, and I hope to work with Senator Holt and Representative Menor in developing a package that's agreed to by everyone. We will propose automobile insurance reform that preserves the right of injured persons to seek just redress while reducing premiums by 35 to 40 percent.

"Telecommunications. Hawaii cannot be a major player in the global economy without first-rate telecommunications. When I took office one year ago, Hawaii had one wire-based telecommunications company. It was a monopoly. You (Representative Herkes I believe it was, and I want to congratulate him) introduced a bill to start the process of deregulation. We agreed and we supported that. You passed that bill, and today, one year later, Hawaii has three wire-based and three wireless telecommunications companies. As a result, our local banks have financed approximately \$1 billion -- we think it's more -- but \$1 billion for telecommunications infrastructure development.

"Next year, we expect to have a choice of telephone carriers and potentially experience 30 percent lower consumer costs. Within three years, we expect to have complete statewide telecommunications service with satellite and fiber-optic links across the Pacific to Asia. This will give Hawaii the capability of being part of the global economy and becoming a major player in the Asia-Pacific region. All of this was accomplished without spending one State dollar. We, the Executive Branch and you the Legislature, did it by simply changing our State

law to free up competition. It's a great example of what we can do even when we do not have money.

"Export of Goods and Service. Last month, two dozen small Hawaii companies were able to sell nearly \$1 million worth of made-in-Hawaii products in just two hours through the cable telemarketer QVC. The QVC officials said it was the most successful sale of products ever. This experience tells us that there is a high demand for made-in-Hawaii products on the mainland United States. We will help market these products.

"But even more promising for Hawaii products and Hawaii's professional services is the huge and rapidly growing Asia-Pacific market. We talk about this a lot, but few truly understand its magnitude and potential. Let's talk about the biggest nation and that economy -- China. 1.2 billion people, huge Guangdong Province. I had never heard of Guangdong Province until last year, believe it or not. That Province alone has 71 million people -- more than France or Italy or England. And yet, most of us know more about France, Italy and England than we do about Guangdong Province. It has been estimated that China needs to spend \$800 billion over the next decade to build an infrastructure to support a developed economy.

"China is a huge market but it is only a part of the Asian-Pacific market. American companies are there. Motorola, for example, expects that one-half to two-thirds of its future business will be from this market alone. We in Hawaii need to prepare ourselves to find our niches in this huge Asia-Pacific market, and we can do it for our products and for our professional people, and we are already there.

"GTE Hawaiian Telephone, Hawaiian Electric, Bank of Hawaii are already doing business in the Philippines. Our architects, our engineers, our resort developers are being solicited to help develop infrastructure in several provinces in China. Our people are doing things all over the world and we in government don't know too much about it. Well, we need to help them. To encourage our local firms to go after this business, to expand the opportunities in the Asia-Pacific market, we are introducing legislation which we hope you will support to eliminate the general excise tax for certain exporters of professional services.

"Let's take the private sector investment. We need private sector creativity and investment if we are to increase our capacity for future growth. The State simply does not have the resources or the ability to do it all alone. We must create the appropriate business climate to make this happen.

"Therefore, we intend to come to you to change the Enterprise Zone law, to enhance the Enterprise Zone program by modifying the restrictive rules to create high-value jobs in knowledge-based industries such as health care and technology.

"Tourism. Of course, the engine that drives our economy is tourism, and we must continue to assist the private sector to market Hawaii as a world-class destination resort. In this connection, the State's \$350 million investment in the Convention Center will play a critical role in attracting professional and business visitors. It will fix Hawaii as a world-class business destination beyond the turn of the century. More importantly, it will provide a vast array of benefits, including more jobs, investment, and trade. As Governor, I will take every step to ensure that the Convention Center will open on time, as planned.

"Honolulu's waterfront from Kewalo Basin to Keehi Lagoon has long been acknowledged as Oahu's premier untapped asset. Progress by past administrations has been made on the waterfront, including the Aloha Tower Marketplace and the Kakaako Waterfront Park. I want to see the day when Hawaii's people can walk from end to end along the waterfront. As they stroll along, they would pass green grass with tree-shaded benches, glistening beaches, and inviting shops and restaurants. At Honolulu Harbor, they could stop to watch a bustling commercial harbor. Adjoining the Kakaako Waterfront, they could visit a world-class aquarium. At Keehi Lagoon, they would see a water sports center with world championships in kayaking, sculling and canoeing. Development of Honolulu's waterfront is an important part of our efforts to restore economic momentum and we would like you to support us.

"Health Care. I believe Hawaii can be the health care center of the Pacific. As you know, we recently hosted the Mayo Clinic in an effort to get them to establish a presence in Hawaii. We will continue our efforts to develop a health industry which services the people of Hawaii and the Pacific Rim. But the private sector is already ahead of us and we must help them. Private hospitals such as Straub, Queens and Kuakini have already launched similar initiatives. They understand what the market is like out there. Straub, for example, has brought in the world renowned Joslin Diabetes Center of Boston. We will support their efforts and we will launch our own initiatives.

"Science and Technology. Another promising area of economic growth for the State of Hawaii. Many don't realize it but we already have substantial assets:

- The leading center for astronomy in the Northern Hemisphere is on Mauna Kea.
- The most powerful super computer in the U.S. for imaging is at the Maui High Performance Computing Center.
- The Pacific Missile Range Facility on Kauai is the most advanced high-tech center in the world for surface, air, and underwater naval training.
- The University of Hawaii houses one of the leading ocean research programs in the world.
- Next month, we will dedicate the Pacific Disaster Center in Kihei. It will be the first link in a world network of disaster centers.

"We must build on these assets to develop high-tech programs and businesses. To develop a strategy for the best use of our resources, I am forming a Governor's Task Force on Science and Technology, and I have asked Lt. Governor Hirono to chair that task force.

"Kapolei, the Second City. I am committed to making the Second City of Kapolei a vibrant center to live, to work, to learn. The development of Kapolei will improve the quality of life for all Oahu residents. Housing in Kapolei is affordable and will continue to be affordable. When jobs go to Kapolei, traffic congestion in Honolulu will be reduced and people will be able to live close to where they work.

"The University of Hawaii at West Oahu is an integral part of the dream of Kapolei. As you know, we recently completed a land exchange agreement with the Campbell Estate for a site in Kapolei. In exchange for 58 acres at the Hawaii Raceway Park, the State will receive 950 acres for the new campus. This exchange will make it possible for the State to build the West Oahu campus without

draining funding from other UH campuses. West Oahu will serve not only the people of Leeward/Central Oahu -- the fastest growing area in the State -- but our entire State and the people of the Pacific Rim. With your approval of the land exchange and with your approval of the funding mechanism that we will be submitting to you, we will build this campus without any general fund appropriation.

"Let me turn now to the neighbor islands.

"Clearly in our push for economic development, we recognize the overriding importance of our neighbor islands. I have begun discussions with the mayors of the counties to deal with important issues which affect their respective counties. We are taking steps to ease the pain of structural dislocations caused by the phase-out of sugar and pineapple, and to encourage the transition to new economic bases. We are encouraging investment in forestry, diversified agriculture and cultivation of energy-producing crops, and perhaps the building, by the private sector, of a minimum security prison on the Big Island. Already, several private firms have expressed interest not only in commercial forestry, but also in building the prison. And I am engaged with Mayor Yamashiro in discussing these matters to the fullest and finding out ways in which the State and the County of Hawaii can work together.

"While I am on the business of prisons, let me digress for a minute. It is not in my prepared text. But we (and I know you are concerned about prisons) will expand the facilities at Waiawa. We will put people who have drug addiction problems in Waiawa, expanding the current program from 37 people to 200. Mayor Harris of the City and County of Honolulu graciously offered to help us build this facility and, Mr. Mayor, I accept your offer.

"One last thought on the neighbor islands, and there are so many issues which affect the neighbor islands, of course, but we know that we need to promote tourism -- the visitor industry -- on the neighbor islands, and we will do all we can to help by building airport facilities which will allow direct international flights to those islands, and we will work with the counties in doing this.

"Environment. Let me now touch briefly on other important issues -- the environment. When I got elected, I appointed a member of the Sierra Club to head the Department of Land and Natural Resources. Everybody was a little worried ... he turned out okay. He has convinced me that part of our challenge is to protect our natural resources, our endangered species, our land and water. The other is to manage and improve renewable resources -- our forests, oceans, parks and beaches -- for the long-term access, enjoyment and public benefit.

"He has developed, and I agree and I support this project, a 'string of pearls,' a state park system with at least one major wilderness park on each island -- Na Pali on Kauai, Kaena and Ka Iwi on Oahu, Makena on Maui, and the Kona Coast on the Big Island. We ask for your support in making this string of pearls state park system a reality.

"Welfare Reform. One of the most troubling issues that has faced us, a very difficult and complex issue, is welfare reform. We will submit to you a welfare reform package that insists on individual and family responsibility and that provides opportunities to build self-reliance and self-sufficiency. Last year, we instituted a work requirement for the Aid to Families with Dependent Children (AFDC) Program. It generated some controversy. We had no choice because the dollars were scarce. But as a result of this program, the number of those employed has increased more than four times, and the number of those who have

gotten off AFDC is twice what it was last year. It seems to me that we are on the right tract.

"Last year, we also began a new Public-Private Employment Partnership that asks private sector employers to participate with the State in expanding job training programs. We will build on this effort which provides employers with motivated workers who can, with some help, exit the welfare rolls.

"Hawaiian Home Lands. A tragedy a few days ago on Kauai focused on the Department of Hawaiian Homes. Let me state that as Governor I believe that it is important that we do everything we can to provide native Hawaiians with homestead lots and lands. Last year we proposed, and you agreed, a \$600 million settlement of the Hawaiian Home Lands claims. This means that for each of the next 20 years, the Department of Hawaiian Home Lands will receive \$30 million to develop their lands for the Hawaiian people. In order to speed up the process even further, we propose making available lands in Hawaii Finance and Development Corporation projects in Kapolei, Leialii, Lahama and Kealakehe in Kailua-Kona to the Department of Hawaiian Home Lands. The good thing about this proposal is that we accomplished two things: First, we provided land with infrastructure to a department which is hungry for such land, which has a waiting list that is too long. Second, we addressed the problem of the \$30 million a year payment. We feel that this is very, very promising and we hope that when we come down with our package to make these transitions, you will support us.

"Education. Education has always been my highest priority. Our young people are our future. And we should do all we can to provide them with quality education. For that reason, with the authority that I have vested in me, I spared the public schools from any budget cuts. In my version of the budget, I did not cut one cent from the \$631 million school instructional budget. The cuts were supposed to come out of administration.

"A few years ago, I chaired the Legislature's Task Force on Educational Governance. The Task Force made many recommendations. The Legislature adopted some of them when it passed the Education Omnibus Bill three sessions ago. The thrust of the Task Force's work and the Education Omnibus Bill was to give the Department of Education and the public schools greater autonomy. That has been done. Two years ago, you gave the DOE lump-sum budgeting. Since then, more schools have established School Community Based Management Councils, involving parents and community members in individual school decision-making.

"Now is the time to give our educators some space, to give them the opportunity to implement some of the reforms we have established, to let them teach without us -- you and me -- burdening them with new laws and new demands. Over and over again, I hear from teachers that they are unable to keep up with the laws and the rules and regulations that we crank out of this particular building. So, let's give them some space. Let's hold them accountable; let's see what the results are. But in the meantime, let's do all that we can to provide them with the resources that they need to do the job.

"Building a better future is not simply about economic survival. It is also about fulfilling our most cherished dreams and aspirations for our children while being compassionate to those who need our help.

"Not a day goes by that I do not ask myself, 'How can Hawaii fulfill its destiny and reach its full potential?'

"Hawaii is a wonderful place. We have so much to offer others. Not just scenery and climate, but a rich diversity of people and cultures. The Aloha Spirit. Unique skills, knowledge and experience that come from our unusual location and history.

"Most people now understand that we live in a fast-changing global economy. We cannot let Hawaii get lost in the shuffle. In order for Hawaii to take its rightful place, Hawaii's economy must be strong and our people prepared. That means we must diversify and grow.

"In the forceful words of Robert Reich, President Clinton's Secretary of Labor, in his book, The Work of Nations, the value of a nation can be measured in the skill of its workforce. And so the State and so the individual. This means that our people must be made relevant to our economy during this period of highly charged change.

"How will we do this? In four distinct, yet interlinked, ways.

"First, we must create the proper technological infrastructure to eliminate the disadvantage of distance that we face. Last year, we took a giant step in eliminating that disadvantage.

"Second, we must help our young people acquire the skills, the knowledge and the attitudes that enable them to compete on a global basis. We must support education.

"Third, we must create a positive business climate. Not just lip service to that idea, but an environment in which our government -- and let me say that again -- our government is a facilitator, not an obstacle to healthy business growth.

"Fourth, and most importantly, we need to believe in ourselves again. We need to believe that we can go out into the world and accomplish anything we set out to do. We need to believe that -- given the proper tools, including education -- our children can go anywhere they want, compete with anyone -- and win. We need to believe that we can achieve all that we dream of right here in Hawaii Nei. I believe this economic downturn is coming to an end, but the Hawaii that emerges when it does end will not be the one we remember from the 1970s or 1980s.

"Good fortune will not simply fall on us as it has in the past. We are going to have to face the problems that confront us, make tough decisions, and push forward aggressively for what we believe is right.

"We will all be judged, all of us here this morning, by what we accomplish together in the next few months and years.

"I do believe that times are getting better. I believe that the economy will improve. Certainly, I am going to do everything in my power to do so.

"I truly believe, however, that if we all work together and we set aside our personal agendas, our egos, that we can turn this crisis, this very, very serious fiscal crisis, the worst crisis in our State's history, into a great opportunity to build a better Hawaii.

"Thank you very much and aloha."

Senate President Mizuguchi then rose and stated:

"Thank you, Governor, for your thoughts.

"The Legislature appreciates your insight on the issues we face in putting our fiscal house in order and laying the foundation for a stronger financial future.

"The House and Senate stand ready to work with your administration on the budget, executive branch reorganization and economic initiatives.

"We want to assure you that our doors will be open to you for consultation and discussion on matters of mutual concern. Let us both move forward with optimism and resolve.

"Having no further business, I hereby declare the Joint Session of the Eighteenth Legislature adjourned."

At 10:52 o'clock a.m., President Mizuguchi declared the Joint Session adjourned.

### INTRODUCTION OF SENATE BILLS

On motion by Senator Ihara, seconded by Senator Liu and carried unanimously, the Clerk was authorized to receive bills for introduction prior to 4:30 o'clock p.m. In consequence thereof, the following bills passed First Reading by title and were deferred:

#### Senate Bill

No. 2592 "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE CONSTRUCTION OF AN INTERMEDIATE SCHOOL IN MILILANI."

Introduced by: Senator Iwase.

No. 2593 "A BILL FOR AN ACT RELATING TO WELFARE."

Introduced by: Senator Matsuura.

No. 2594 "A BILL FOR AN ACT MAKING AN APPROPRIATION TO PURCHASE AIR CONDITIONERS FOR PEARL CITY ELEMENTARY SCHOOL."

Introduced by: Senators Kawamoto, Ige.

No. 2595 "A BILL FOR AN ACT RELATING TO COMMERCIAL PAPER."

Introduced by: Senator McCartney.

No. 2596 "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE V, SECTION 6, OF THE HAWAII CONSTITUTION, TO CHANGE THE TERM OF THE ATTORNEY GENERAL."

Introduced by: Senator McCartney.

No. 2597 "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE V, SECTIONS 1 AND 2, OF THE HAWAII CONSTITUTION, TO CHANGE THE GOVERNOR'S AND LIEUTENANT GOVERNOR'S TERM OF OFFICE AND TO LIMIT THE NUMBER OF TERMS FOR EACH OFFICE."

Introduced by: Senator McCartney.

No. 2598 "A BILL FOR AN ACT RELATING TO FIRE HYDRANT SYSTEMS."

Introduced by: Senator McCartney.

No. 2599 "A BILL FOR AN ACT RELATING TO SOCIAL WORKERS."

Introduced by: Senator McCartney.

No. 2600 "A BILL FOR AN ACT RELATING TO LEAVE SHARING."

Introduced by: Senator Mizuguchi, by request.

No. 2601 "A BILL FOR AN ACT RELATING TO CIVIL SERVICE."

Introduced by: Senator Mizuguchi, by request.

No. 2602 "A BILL FOR AN ACT RELATING TO TEMPORARY DISABILITY INSURANCE."

Introduced by: Senator Mizuguchi, by request.

No. 2603 "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM."

Introduced by: Senator Mizuguchi, by request.

No. 2604 "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC EMPLOYEES HEALTH FUND."

Introduced by: Senator Mizuguchi, by request.

No. 2605 "A BILL FOR AN ACT RELATING TO RETIREMENT SYSTEM MEMBERS."

Introduced by: Senator Mizuguchi, by request.

No. 2606 "A BILL FOR AN ACT RELATING TO PERFORMANCE RATINGS OF EMPLOYEES IN THE CIVIL SERVICE."

Introduced by: Senator Mizuguchi, by request.

No. 2607 "A BILL FOR AN ACT RELATING TO CIVIL SERVICE AND EXEMPTIONS."

Introduced by: Senator Mizuguchi, by request.

No. 2608 "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII BOARD OF REGENTS."

Introduced by: Senators Kawamoto, Ige, Taniguchi.

No. 2609 "A BILL FOR AN ACT RELATING TO HOUSING."

Introduced by: Senator Ikeda.

No. 2610 "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII."

Introduced by: Senator Ikeda.

No. 2611 "A BILL FOR AN ACT RELATING TO INSURANCE."

Introduced by: Senator Ikeda.

No. 2612 "A BILL FOR AN ACT RELATING TO THE INCOME TAX."

Introduced by: Senator Baker, by request.

No. 2613 "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE WEST HAWAII VETERANS CEMETERY."

Introduced by: Senators Solomon, Levin, McCartney.

No. 2614 "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HAWAIIAN HOME LANDS."

Introduced by: Senators Solomon, Levin, Matsuura, McCartney.

No. 2615 "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE BENEFIT OF THE COUNTY OF HAWAII."

Introduced by: Senators Solomon, Levin, Matsuura.

No. 2616 "A BILL FOR AN ACT RELATING TO AIR POLLUTION CONTROL."

Introduced by: Senators Solomon, Chumbley, McCartney.

No. 2617 "A BILL FOR AN ACT RELATING TO THE ENERGY INCOME TAX CREDIT."

Introduced by: Senators Solomon, Levin, Matsuura, Chumbley, McCartney.

No. 2618 "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE INDUSTRY LICENSING BOARD."

Introduced by: Senator Chumbley.

No. 2619 "A BILL FOR AN ACT RELATING TO EDUCATION."

Introduced by: Senator Chumbley.

No. 2620 "A BILL FOR AN ACT RELATING TO GOVERNMENT COST REDUCTION."

Introduced by: Senators Tam, McCartney.

No. 2621 "A BILL FOR AN ACT RELATING TO THE STATE EDUCATIONAL FACILITIES IMPROVEMENT SPECIAL FUND."

Introduced by: Senators Tam, Chumbley, McCartney.

No. 2622 "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX."

Introduced by: Senators Tam, Chumbley, McCartney.

No. 2623 "A BILL FOR AN ACT RELATING TO COUNTY CIVIL FINES."

Introduced by: Senators Tam, McCartney.

No. 2624 "A BILL FOR AN ACT RELATING TO CONTRACTS."

Introduced by: Senators Tam, McCartney.

No. 2625 "A BILL FOR AN ACT RELATING TO QUIETING TITLE."

Introduced by: Senator Mizuguchi, by request.

No. 2626 "A BILL FOR AN ACT RELATING TO HOUSING."

Introduced by: Senator Mizuguchi, by request.

No. 2627 "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS."

Introduced by: Senator Mizuguchi, by request.



No. 2628 "A BILL FOR AN ACT RELATING TO THE QUALIFICATIONS OF MEMBERS OF THE BOARD OF LAND AND NATURAL RESOURCES."

Introduced by: Senator Mizuguchi, by request.

No. 2629 "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS."

Introduced by: Senator Mizuguchi, by request.

No. 2630 "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS."

Introduced by: Senator Mizuguchi, by request.

No. 2631 "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS."

Introduced by: Senator Mizuguchi, by request.

No. 2632 "A BILL FOR AN ACT RELATING TO HAWAIIAN AFFAIRS."

Introduced by: Senator Mizuguchi, by request.

No. 2633 "A BILL FOR AN ACT RELATING TO EXEMPTION OF COUNTY POSITIONS FROM THE CIVIL SERVICE."

Introduced by: Senator Taniguchi.

No. 2634 "A BILL FOR AN ACT RELATING TO LEAVE SHARING."

Introduced by: Senator Taniguchi.

No. 2635 "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC."

Introduced by: Senator Taniguchi.

No. 2636 "A BILL FOR AN ACT RELATING TO SECURITIES."

Introduced by: Senator Taniguchi.

No. 2637 "A BILL FOR AN ACT RELATING TO INSURANCE COMPANIES."

Introduced by: Senator Taniguchi.

No. 2638 "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR VARIOUS IMPROVEMENTS AND PROGRAMS AT HONOLULU COMMUNITY COLLEGE, UNIVERSITY OF HAWAII."

Introduced by: Senator Holt.

No. 2639 "A BILL FOR AN ACT RELATING TO OPTOMETRY."

Introduced by: Senator Holt.

No. 2640 "A BILL FOR AN ACT RELATING TO REAL PROPERTY TAXES."

Introduced by: Senator Holt.

No. 2641 "A BILL FOR AN ACT RELATING TO INVESTMENTS OF STATE AGENCY FUNDS."

Introduced by: Senator Holt.

No. 2642 "A BILL FOR AN ACT RELATING TO STATE SERVICE FEES."

Introduced by: Senator Holt.

No. 2643 "A BILL FOR AN ACT RELATING TO CONDOMINIUMS."

Introduced by: Senators Ihara, Fukunaga.

No. 2644 "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROXIES."

Introduced by: Senators Ihara, Fukunaga.

No. 2645 "A BILL FOR AN ACT RELATING TO CONDOMINIUMS."

Introduced by: Senator Ihara.

No. 2646 "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR AIR CONDITIONING AT JEFFERSON SCHOOL."

Introduced by: Senator Ihara.

No. 2647 "A BILL FOR AN ACT RELATING TO EDUCATION."

Introduced by: Senators Bunda, Chumbley.

No. 2648 "A BILL FOR AN ACT RELATING TO HOUSING."

Introduced by: Senator Bundá.

No. 2649 "A BILL FOR AN ACT RELATING TO CONDOMINIUM MANAGER CERTIFICATION."

Introduced by: Senator Bunda.

No. 2650 "A BILL FOR AN ACT RELATING TO INSURANCE REFORM."

Introduced by: Senator Matsunaga, by request.

No. 2651 "A BILL FOR AN ACT RELATING TO ENERGY."

Introduced by: Senator Matsunaga.

No. 2652 "A BILL FOR AN ACT RELATING TO NOISE POLLUTION."

Introduced by: Senators Fukunaga, Ihara, Taniguchi.

No. 2653 "A BILL FOR AN ACT RELATING TO FIREARMS DEALERS' LICENSES."

Introduced by: Senators Fukunaga, Ihara, Taniguchi.

No. 2654 "A BILL FOR AN ACT RELATING TO TRANSPORTATION."

Introduced by: Senator Fukunaga.

No. 2655 "A BILL FOR AN ACT RELATING TO ANIMALS."

Introduced by: Senator Levin.

No. 2656 "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES."

Introduced by: Senator Levin.

No. 2657 "A BILL FOR AN ACT RELATING TO EMPLOYMENT PRACTICES."

Introduced by: Senator Levin.

No. 2658 "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE."

Introduced by: Senator Levin.

No. 2659 "A BILL FOR AN ACT RELATING TO WILDLIFE AND GAME MANAGEMENT."

Introduced by: Senator Levin.

**STANDING COMMITTEE REPORT**

On motion by Senator Ihara, seconded by Senator Liu and carried unanimously, the Clerk was authorized to receive Stand. Com. Rep. No. 1601 from the Committee on Consumer Protection. In consequence thereof, the Senate took the following action on S.B. No. 2001:

Senator Holt, for the Committee on Consumer Protection, presented a report (Stand. Com. Rep. No. 1601) recommending that S.B. No. 2001, as amended in S.D. 1, pass Second Reading and 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.B. No. 2001, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE," passed Second Reading and was referred to the Committee on Ways and Means.

**ADJOURNMENT**

At 4:30 o'clock p.m., the Senate adjourned until 11:30 o'clock a.m., Wednesday, January 24, 1996.