

THIRTY-NINTH DAY

Monday, March 24, 1997

The Senate of the Nineteenth Legislature of the State of Hawaii, Regular Session of 1997, convened at 11:03 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by Major Gregory A. Ford, Chaplain, Schofield Barracks Family Life Center, after which the Roll was called showing all Senators present.

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

The following student "shadows" were then introduced:

Senator Baker introduced Ian Mikami from Molokai High School;

Senator Taniguchi introduced Jaelyn Kwan from McKinley High School and Si Loi Leung from Washington Intermediate School; and

President Mizuguchi introduced Keala'ula Nieto from Anuenue Immersion School.

Senator Sakamoto then introduced Head Coach Eddie Maruyama and the Moanalua High School Boys Basketball Team, and congratulated them on becoming the 1997 State Champions.

The following introductions were then made in recognition of "Net Week 97":

Senator Anderson introduced Corwin Nunes of Kainalu Elementary School;

Senator Fukunaga introduced Jeff Chan of Roosevelt High School;

Senator Chun Oakland introduced Caesar Macapagal of Princess Victoria Kaiulani Elementary School;

Senator M. Ige introduced Alexis Keene of Kapunahala Elementary School;

Senator Baker, on behalf of Senators Tanaka, Chumbley and herself, introduced Casey Mathison of Maui High School; and

Senator D. Ige introduced Mr. K. Kim, Director of Network Services, representing the Department of Education.

At 11:23 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:29 o'clock a.m.

At this time, Senator Chumbley introduced his student "shadows," Ashlyn Russell of Lokelani Intermediate School and Pedro Haro of Lahainaluna High School.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 234 and 235) were read by the Clerk and were placed on file:

Gov. Msg. No. 234, dated March 6, 1997, transmitting a report prepared by the Department of Health, Hawaii Advisory Commission on Drug Abuse and Controlled Substances, pursuant to Section 329-2, HRS.

Gov. Msg. No. 235, dated March 12, 1997, transmitting a report prepared by the Department of Health pursuant to Act

189, SLH 1995, requesting the Department of Health to submit annual reports to the Legislature describing the status of the plan to provide services in the community and to ensure that the transition of Waimano Training School and Hospital residents to the community will be client-centered, taking into consideration the health, safety, and happiness of the residents and the concerns of their families.

STANDING COMMITTEE REPORT

Senators Aki and Tam, for the Committee on Education, presented a report (Stand. Com. Rep. No. 1222) recommending that the Senate advise and consent to the nomination of RAYMOND S. ONO to the Western Interstate Commission for Higher Education (WICHE), in accordance with Gov. Msg. No. 192.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 1222 and Gov. Msg. No. 192 was deferred until Tuesday, March 25, 1997.

ORDER OF THE DAY

THIRD READING

H.B. No. 1870:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 1870, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE RATE REGULATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 454, H.D. 1, S.D. 1:

On motion by Senator Iwase, seconded by Senator Solomon and carried, H.B. No. 454, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 37, H.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, H.B. No. 37, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 214, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Sakamoto and carried, H.B. No. 214, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO KEAHOLE AIRPORT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1189, H.D. 1:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 1189, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1190, H.D. 1:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 1190, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE COMPANIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1747:

On motion by Senator Iwase, seconded by Senator Solomon and carried, H.B. No. 1747, entitled: "A BILL FOR AN ACT RELATING TO THE KAHO'OLAWA ISLAND RESERVE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 919:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 919, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PROPERTY INSURANCE ASSOCIATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 260:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 260, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 369:

On motion by Senator Baker, seconded by Senator D. Ige and carried, H.B. No. 369, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1762, S.D. 1:

Senator Kawamoto moved that H.B. No. 1762, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Sakamoto.

Senator Slom rose to speak in opposition to the measure and said:

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

"Mr. President, this bill is very troubling. We had several hearings on it and a number of deferrals. It has to do with the impoundment of so-called abandoned vessels, but there was mixed testimony and conflicts, and it reflected poorly, I thought, on the Department of Transportation on some of their procedures and some of the things that they have done with vessels that have been impounded. I think in this era when we're trying to have more openness and public view, public meetings and so forth, while the sponsors of this bill tried to amend it to accomplish a number of those goals, unfortunately, the current draft, S.D. 1, was not the subject of a public hearing. And those people that had the initial objections never really had an opportunity to testify about these changes.

"So in that spirit, Mr. President, I'm going to urge a 'no' vote. Thank you."

Senator Sakamoto then rose in support of the measure and said:

"Mr. President, relating to some of the previous speaker's remarks ..."

The Chair interjected:

"Are you speaking for or against the bill?"

Senator Sakamoto continued:

"For the bill, excuse me.

"The Department of Transportation needed a remedy to dispose of vessels that may be called 'junk' or need disposal. The current procedure calls for a public auction. And for vessels less than \$5,000 the proposal was that they have a more economical, more expeditious way to dispose of the vessels. So we amended several provisions, including removing negotiations which had implied that some former employees somehow acquired vessels, so we've amended that to follow the state procurement code, as opposed to letting the department negotiate.

"We've amended the provision and gave people opportunity to submit their suggestions so that this can be a measure that can be efficient because we need efficient government. There's a provision for owners to submit their own alternate appraisal of their vessel at their own cost so that the department isn't single-handedly either appraising or just disposing of the vessels. Thank you."

The motion was then put by the Chair and carried, H.B. No. 1762, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DISPOSAL OF IMPOUNDED VESSELS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Aki, Kanno, Slom).

Senator Slom rose on a point of personal privilege as follows:

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

"For the last several years we've had a number of individuals in this body and in the House, and in the general community at large, talking about our problems with the increased indebtedness that the State of Hawaii was taking on, and the ramifications should we continue to go into more debt.

"Since we last met on Friday, Mr. President, we had the culmination of action taken by one of the two leading national rating organizations, Standard and Poor's, in down-rating the bond and credit worthiness of the State of Hawaii. This is a major factor and has long-range consequences not only to our fiscal picture, but also to the young people that were all sitting in the gallery here today. If we're truly concerned about our keiki and our youth, we should be more concerned with what we're doing with our bonded indebtedness.

"We also have a proposal before this legislative body from the administration to have a billion dollars more of bonds in order to jump-start the economy. Mr. President, colleagues -- debt does not jump-start the economy. We know what we need to jump-start the economy and that is simply to cut taxes, cut spending, reduce debts and do the things that the job creators have said that they need to do.

"So I urge my colleagues, as we take up further fiscal matters, that we have tremendous obligations to our community

and to our young people, particularly, not to further mortgage them and pass on this tremendous debt at higher cost now because of this bond rating lowering by Standard and Poor's.

"Thank you, Mr. President."

Senator Sakamoto also rose on a point of personal privilege and said:

"Mr. President, I'd like to rise on a point of personal privilege.

"Yesterday, some of us were here, including yourself, Mr. President, for the Youth YMCA Legislature. And just as students here were involved in other activities, that was a very worthy activity and they're looking at measures to set some similar measures to what we're considering. One student made an analogy of a tree and its roots and that brought to mind, as I read this morning's editorial page, there was library cuts and just below that talked about the economy. And I'd like to use an analogy of a tree -- just as a tree, sometimes you need to prune the top of the tree just as in library cuts, not to say which cuts are appropriate, and also the roots as the YMCA legislator had talked about roots.

"And as we look at the economy, whether it's bond ratings, sometimes we need to fertilize and maybe \$1 billion of fertilizer may not be the right amount, Mr. President, but we need to fertilize. We need to not let the roots get bound, but we also need to prune appropriately. If in your yards you don't prune the trees appropriately, there'll come a time when the tree will fall of its own weight or you'll need to prune back so severely that the tree has very little foliage at all.

"So, Mr. President, I think we should look at how to prune things and how to appropriately fertilize. And just as an off-shoot, many of you are familiar with banyan trees. Banyan trees have roots that come down at yea places, here and there, and the analogy here, Mr. President, is that may be like our public-private partnership where the tree gets so heavy that roots need to come down and be supported with roots in other areas.

"Thank you, Mr. President."

ADJOURNMENT

At 11:42 o'clock a.m., on motion by Senator McCartney, seconded by Senator Slom and carried, the Senate adjourned until 11:30 o'clock a.m., Tuesday, March 25, 1997.